

# DISTRICT OF COLUMBIA OFFICIAL CODE

*2001 Edition*

## TITLE 47

Taxation, Licensing, Permits, Assessments,  
and Fees

(Chapters 1 to 18)



40<sup>th</sup> ANNIVERSARY  
of  
HOME RULE



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# **DISTRICT OF COLUMBIA**

## ***OFFICIAL CODE***

### **2001 EDITION**

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Containing the Laws, general and permanent in their nature,  
relating to or in force in the District of Columbia (Except such  
laws as are of application in the General and Permanent  
Laws of the United States) as of September 13, 2012.

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**VOLUME 21**

**Title 47**

**Taxation, Licensing, Permits, Assessments, and Fees**  
**Chapters 1 to 18**



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## Foreword to 2013 Commemorative Set

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LexisNexis presents the 2013 republication of the District of Columbia Official Code, 2001 Edition to the D.C. bench and bar and to the citizens of the District of Columbia in a sincere belief that it will prove a material contribution to the orderly and efficient conduct of the government of the District and to the practice of law. LexisNexis is proud to help commemorate the 40th anniversary of Home Rule for the District of Columbia.

LexisNexis continues its tradition of excellence with its District of Columbia Official Code, 2001 Edition. This 2013 Volume 21 replaces any existing Volume 21 of the 2001 Edition and its 2012 Supplement, both of which may now be discarded, recycled, or retained for historical reference. Future supplements will be keyed to this 2013 Volume and not to any of its predecessors.

The District of Columbia Official Code, 2001 Edition, represents the eighth compilation of the laws of the District of Columbia and reflects an extensive renumbering of the 1981 Edition. Users should consult the historical citations at the end of each statute, and corresponding amendment notes, as guides to legislative currency. Research features such as case annotations, section references, effect of legislation notes, editor's notes, and the comprehensive index have been prepared by LexisNexis. Your set is kept up to date through regular supplementation, free access to the on-line Official Code at <http://www.lexisnexis.com/hottopics/dccode> and the periodic replacement of volumes. All case citations are Shepardized for accuracy and continued relevance. LexisNexis also publishes a District of Columbia Advance Legislative Service (ALS). The ALS gives you the latest session laws as they are passed, along with tables showing you which sections of the Code are affected.

We actively solicit your comments and suggestions. If you have questions or comments about the statutes, or if you have suggestions regarding index improvements, please write to us or call us toll-free at 1-800-833-9844; fax us toll free at 1-800-643-1280; E-mail us at [customersupport@bender.com](mailto:customersupport@bender.com); or visit our website at <http://www.lexisnexis.com>. By providing us with your informed comments, you will be assured of having a working tool which increases in value each year.

LEXISNEXIS

June 2013





## PREFACE TO THE 2001 EDITION

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The 2001 Edition of the District of Columbia Official Code marks the eighth time that a compilation of the laws of the District of Columbia has been published by, or under the authority of, the government of the District of Columbia or that of the United States. The District of Columbia Code was first published in 1929; eleven years later, the Second Edition (1940) was published; another eleven years later, the Third Edition (1951); ten years later, the Fourth Edition (1961); six years later, the Fifth Edition (1967); another six years later, the Sixth Edition (1973); and 8 years later, the Seventh Edition (1981) was published. The time between the publication of the Seventh Edition and this Eighth Edition represents the longest period, by almost a decade, that the District of Columbia Code has gone unrevised in its 72 year history.

The District's Charter, which in 1973, established the current tripartite government of the District of Columbia, makes it incumbent upon the legislative branch to publish and codify every act of the Council, as the Council directs, upon becoming law, so that the residents of the District may have ready access to the laws by which they are governed. In 1973, however, the framers of the District's constitution could not have foreseen the incredible technological advances that would occur in the next 25 years nor the impact they have on the Code.

With the close of the 20th Century the world has witnessed the triumph of the Information Age, the rise of the World Wide Web, and the explosion of word processing and data storage technology. These phenomena have helped make the reproduction of legal text and data a fast, easy, and inexpensive enterprise, giving rise to a plethora of publishing mediums, and have made it a relatively simple task to reproduce existing legal text, including the District of Columbia Code. The rapid rise of the Computer Age has allowed virtually anyone with an ordinary personal computer to reproduce and compile the laws of the District of Columbia.

The laws of the District, however, are fluid, not stagnant, as they are amended several times each year. The quality and accuracy of publications not directed by the Council are beyond its control. The Council can only warrant the Code for which it has authorized publication. Therefore, in order to ensure that the residents of the District may distinguish between the compilation of District laws as produced under the direction of the elected officials of the District of Columbia and those of other persons, we have added the word "Official" to the title of the Code. Also to ensure that the Council never loses the right to publish its own laws, the government of the District of Columbia has retained the copyright to the District of Columbia Official Code.

The codified laws of the District of Columbia are created as a result of legislative action on the part of 13 individuals elected by the residents of the

District of Columbia to enact the laws that govern the District, and by the Congress. Once the legislative process is complete, the Council, through its delegation of authority to its Office of the General Counsel, codifies the laws in the form of this Code. In the process of codification, the Office of the General Counsel interprets any discrepancies in the drafting of the laws using commonly recognized rules of statutory construction. No other entity is authorized by law to make these determinations. As set forth by federal law and recognized by the Courts of the District of Columbia, this Code establishes *prima facie* evidence of the laws in force in the District of Columbia.<sup>1</sup> It is this continuity of authority, from enactment to codification to judicial review that gives this Code its authenticity and officiality as the content of the laws of the District of Columbia.

The 2001 Edition represents a recodification of the 1981 Edition in that it contains a reorganization of the presentation of the laws, inclusion of some previously omitted legal provisions, and the omission of non-substantive extraneous provisions. The theory behind the recodification is to purify the organization of the Code which over many decades has seen the haphazard mixing of original (“organic”) provisions of laws throughout the Code. In the 2001 Edition, we have established a system of codification that follows the legislative drafting principals established over many years in the Council’s Office of the General Counsel.

The recodification is not an overhaul of the Code. Although a cleanup of the antiquated, repealed and omitted provisions is long overdue, it is not the province of the Office of the General Counsel to determine which laws should be expunged as obsolete. Such decisions should be left to a working group commissioned by the Council to recommend revisions to the Code. The Office of the General Counsel has simply separated the organic laws into discrete divisions and topical categories. As much as is possible, we have followed a rule that requires that all organic law remain intact: closely following the layout of the originating act. We have retained notes to repealed sections to aid in legal research and preserved the numbering style that was first introduced in the Second Edition. Thanks to the resourcefulness of the publisher and the Council’s Office of the General Counsel staff, we have corrected provisions of law erroneously added to, or deleted from, prior editions.

The Code is organized into eight Divisions of practical law: government organization; judicial organization; decedent estates; criminal law; business law; education; property; and general laws. Each division is subdivided by subject matter called **Titles**, organic laws, called **Chapters** and **Subchapters**, and finally, individual **Sections** representing the individual sections of organic law. Occasionally, **Subtitles** are used to organize chapters of organic law, **Units** to organize subchapters, and **Parts** and **Subparts** to organize the additional divisions within the organic law. One important change that the user will notice, and hopefully appreciate, is that the District’s Charter, the Home Rule Act, is codified in its entirety in one location so that the

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1. See 1 U.S.C. § 204(b) (1994); *Sheetz v. District of Columbia*, 629 A.2d 515, 519 (D.C. 1993).

framework of the current District government can be readily found. We hope that the organization of the 2001 Edition of the District of Columbia Official Code will serve as a foundation for further refinement by future law revision commissions or their equivalent.

The 2001 Edition has been prepared under the supervision of Benjamin. F. Bryant, Jr., Codification Counsel, Office of the General Counsel, Council of the District of Columbia.

\_\_\_\_\_/s/\_\_\_\_\_

Linda W. Cropp

Chairman

Council of the District of Columbia

\_\_\_\_\_/s/\_\_\_\_\_

Charlotte Brookins-Hudson

General Counsel

Council of the District of Columbia





## **USER'S GUIDE**

In order to assist both the legal profession and the layman in obtaining the maximum benefit from the District of Columbia Official Code, a User's Guide has been included in Volume 1 of the Code. This guide contains comments and information on the many features found within the District of Columbia Official Code intended to increase the usefulness of the Code to the user.



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2. Government Administration.
3. District of Columbia Boards and Commissions.
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5. Police, Firefighters, Medical Examiner, and Forensic Sciences.
6. Housing and Building Restrictions and Regulations.
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8. Environmental and Animal Control and Protection.
9. Transportation Systems.
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\*Title has been enacted as law.

## Title

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\*Title has been enacted as law.



## **CITE THIS BOOK**

Thus: D.C. Official Code, § \_\_\_\_\_ (2001 Ed.)



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- 47-143. United States Treasury offset program authorized; setoff of federal debts.

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## § 47-102. Total indebtedness not to be increased.

There shall be no increase of the amount of the total indebtedness of the District of Columbia existing on June 11, 1878; and any officer or person who shall knowingly increase, or aid or abet in increasing, such total indebtedness, shall be deemed guilty of a high misdemeanor, and, on conviction thereof, shall be punished by imprisonment not exceeding 10 years, and by fine not exceeding \$10,000.

(June 11, 1878, 20 Stat. 108, ch. 180, § 13; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-102. 1973 Ed., § 47-102.

## § 47-103. Appointed officers to give security for intrusted moneys.

All officers appointed by the President for the District, who, by virtue of the provisions of any law of Congress, are required to give security for moneys that may be intrusted to them for disbursement, shall give such security at such time and in such manner as the Secretary of the Treasury may prescribe.

(R.S., D.C., § 87; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-103. 1973 Ed., § 47-103.

**§ 47-104. Unlawful diversion of tax money.**

It shall not be lawful for the District authorities, or any person charged with the disbursements of money in the District, to divert from its legitimate object any money levied or collected as taxes from the people of the District. Any person who shall violate the provisions of this section shall be deemed guilty of a misdemeanor in office, and be dismissed therefrom.

(R.S., D.C., §§ 116, 118; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-104. 1973 Ed., § 47-104.

**§ 47-105. Applicability of antideficiency provisions.**

The provisions of §§ 1341, 1342, and 1349 to 1351 and subchapter II of Chapter 15 of Title 31, United States Code, are hereby extended and made applicable in all respects to appropriations made for and expenditures of and to all of the officers and employees of the government of the District of Columbia.

(June 26, 1912, 37 Stat. 184, ch. 182, § 9; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-105. 1973 Ed., § 47-105.

**§ 47-106. Appropriations for contingent expenses — Apportionment.**

The Mayor of the District of Columbia shall, on or before the beginning of each fiscal year, so apportion appropriations made for contingent and miscellaneous expenses under the Metropolitan Police, Fire Department, Department of Licenses, Investigation and Inspections, and other offices or departments of the government of the District of Columbia as to prevent deficiencies in said appropriations.

(July 1, 1902, 32 Stat. 561, ch. 1351; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-106. 1973 Ed., § 47-106.

**Transfer of Functions.** — Reorganization Order No. 55, dated June 30, 1953, established a Department of Licenses and Inspections and transferred to such Department all functions of the Electrical Inspection Section in the former Department of Inspections. Functions of the

Department of Licenses and Inspections were transferred to the Director of the Department of Economic Development by Commissioner's Order No. 69-96, dated March 7, 1969, which was replaced by the Department of Licenses, Investigation and Inspections, created by Mayor's Order 78-42, dated February 17, 1978.

**§ 47-107. Appropriations for contingent expenses — Expenditures.**

All expenditures from appropriations made for contingent expenses of the District of Columbia shall be accounted for in the General Accounting Office as



other expenditures for the District, and a detailed statement of such expenditures shall be reported to Congress in accordance with § 193 of the Revised Statutes of the United States (§ 492-2 of Title 31, United States Code).

(Feb. 25, 1885, 23 Stat. 319, ch. 145; July 18, 1888, 25 Stat. 314, ch. 676; June 10, 1921, 42 Stat. 24, ch. 18, § 304; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-107.  
1973 Ed., § 47-107.

**References in text.** — “§ 193 of the Revised Statutes of the United States (§ 492-2 of Title

31, United States Code),” referred to at the end of this section, was repealed by § 5(b) of Pub. L. 97-258, approved September 13, 1982.

## § 47-108. Repeal of certain federal appropriation provisions.

(a) Effective July 1, 1935, such portion of any acts as provide appropriations from the appropriation accounts appearing on the books of the government and listed in subsection (b) of this section are hereby repealed, and any balances remaining in, or but for this provision would accrue to, such accounts shall be covered into the Treasury of the United States to the credit of the District of Columbia. Any claims accruing on or after July 1, 1935, which but for this section properly would have been charged to these appropriation accounts shall, upon proper audit, be certified to Congress for appropriation, which is hereby authorized.

(b)(1) Militia fund from fines, District of Columbia (DCs592).

(2) Industrial Home School Fund, District of Columbia (DCs463).

(3) Sanitary Fund, District of Columbia (DCt619).

(4) New site and buildings, Industrial Home School, District of Columbia (DCs460).

(5) Payment to tenants of excess rentals recovered by Rent Commission, District of Columbia (DCs087).

(6) Escheated Estates Relief Fund, District of Columbia (DCs612).

(7) Redemption of tax-lien certificates, District of Columbia (DCt618).

(8) Washington Special Tax Fund, District of Columbia (DCt623).

(9) Redemption of assessment certificates, District of Columbia (DCt617).

(June 26, 1934, 48 Stat. 1230, ch. 756, § 13; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-108.

1973 Ed., § 47-108.

## § 47-109. Abolishment of certain federal appropriations.

(a) On and after July 1, 1935, appropriations for the District of Columbia appearing on the books of the government and listed in subsection (b) of this section are abolished as such, and so much of the several acts as provide for such appropriations is amended so as to authorize in lieu thereof annual definite appropriations, estimates for which shall be incorporated in the estimates of annual appropriations for the District of Columbia.

- (b)(1) Refunding water rents, and so forth, District of Columbia (DCx602).
  - (2) Refunding taxes, District of Columbia (DCx601).
  - (3) Extension, and so forth, of streets and avenues, District of Columbia (fiscal year) (DCx114).
  - (4) Policemen and Firemen's Relief Fund, District of Columbia (DCt614).
- (June 26, 1934, 48 Stat. 1230, ch. 756, § 14; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-109. 1973 Ed., § 47-109.

### **§ 47-110. Continuation of certain federal funds. [Repealed].**

Repealed.

(Sept. 13, 1982, 96 Stat. 877, Pub. L. 97-258, § 5(b).)

**Prior Codifications.** — 1981 Ed., § 47-110.

### **§ 47-111. Disbursing Officer; appointment; bond; general powers and duties; audit of accounts.**

(a) The Disbursing Officer shall be appointed by the Mayor of the District of Columbia, and shall give bond to the United States in the sum of \$50,000, for the benefit of the United States, the District of Columbia, the Mayor of the District of Columbia, and all persons interested conditioned for the faithful performance of the duties of his office in the disbursing and accounting, according to law, for all moneys of the United States and of the District of Columbia that may come into his hands, which bond shall be approved by the Mayor and the Secretary of the Treasury and be filed in the office of the Secretary of the Treasury; provided, that advances in money shall be made, on the requisition of the Mayor, to the said Disbursing Officer instead of to the Mayor, and he shall account for the same as required by § 47-409. Said Disbursing Officer shall be subordinate to the Mayor, and he shall in every respect be responsible to the United States, the District of Columbia, and to individuals for the acts and doings of said Disbursing Officer.

(b) The Disbursing Officer is authorized to pay laborers and employees of the District of Columbia, and such payments shall be made upon payrolls or other vouchers audited and approved by the Auditor of the District of Columbia, and certified by the Mayor as required by § 47-409. Said payrolls and other vouchers shall be included in the account of the Mayor.

(c) The accounts of the Disbursing Officer shall be audited by the Auditor of the District of Columbia, who shall promptly forward the same to the Mayor for his approval.

(Mar. 3, 1891, 26 Stat. 1064, ch. 546; July 14, 1892, 27 Stat. 151, ch. 171; June 30, 1898, 30 Stat. 526, ch. 540; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)



**Prior Codifications.** — 1981 Ed., § 47-111: 1973 Ed., § 47-112.

**Mayor's Orders.** — Deputy Mayor for Office of Financial Management established: See Mayor's Order 83-19, January 3, 1983.

**Editor's notes.** — Disbursing Office abolished: The Disbursing Office was abolished and the functions thereof transferred to the Board of Commissioners of the District of Columbia by Reorganization Plan No. 5 of 1952. Reorganization Order No. 3 of the Board of Commissioners, dated August 28, 1952, established under the direction and control of the Board of Commissioners a Department of General Administration headed by a Director. The Order transferred to the Director of General Administration all of the functions of the abolished Office. Reorganization Order No. 20 established the Finance Office in the Department of General Administration. Included in the Finance Office were an Office of the Assessor, the Office of the Collector of Taxes, the Disbursing Office, and the Accounting Office headed by an Accounting Officer. The function of approving vouchers and requisitions was delegated to the Accounting Officer by that Order. Reorganization Order No. 20 was replaced by Organization Order No. 121. The executive functions of the Board of Commissioners were transferred to

the Commissioner of the District of Columbia by § 401 of Reorganization Plan No. 3 of 1967. Reorganization Order No. 3 and Organization Order No. 121 were revoked by Organization Order No. 3 of the Commissioner of the District of Columbia, dated December 13, 1967. Organization Order No. 3 established within the newly created Department of General Administration a Finance Office and prescribed the functions thereof. These functions were subsequently transferred to the Director of the Department of Finance and Revenue by Commissioner's Order No. 69-96, dated March 7, 1969. Functions pertaining to centralized accounting (including approving vouchers and requisitions) as set forth in that Order were transferred to the Director of the Office of Budget and Financial Management by Organization Order No. 30, dated April 5, 1972. The Office of Budget and Financial Management was replaced by Organization Order 50, dated December 31, 1974, which Order established the Office of Budget and Management Systems. The disbursing and accounting functions of the Office of Budget and Management Systems were replaced by Mayor's Order 79-6, dated January 2, 1979, which Order established the Office of Financial Management. The Office of Financial Management was then re-established by 47-314 on March 5, 1981.

#### CASE NOTES

##### **In general.**

Responsibility for faults of disbursing clerk was not imposed on the auditor of the District of Columbia by Act March 3, 1891 (26 Stat. 1064), providing that such clerk shall be subordinate to the commissioners of the District, and authorizing payments by him for moneys ad-

vanced to him by the commissioners on pay rolls or vouchers, or by rules relating to the disposition of moneys deposited by citizens with the collector of taxes for street improvements under the permit system. *District of Columbia v. Petty*, 33 S.Ct. 881, 1913 U.S. LEXIS 2472 (U.S. Dist. Col. 1913).

### **§ 47-112. Nonliability for overpayments on government bills of lading or transportation requests.**

Notwithstanding the provisions of §§ 47-112, 47-120, and 47-121, or any other act to the contrary, neither the Disbursing Officer of the District of Columbia nor the Auditor of the District of Columbia or any employee in his office authorized by him to certify vouchers, pursuant to the provisions of §§ 47-112, 47-120, and 47-121, shall be held liable for overpayments made for transportation furnished on government bills of lading or transportation requests when said overpayments are due to the use of improper transportation rates, classifications, or the failure to deduct the proper amount under land grant laws or equalization and other agreements.

(July 30, 1951, 65 Stat. 125, ch. 246, § 3; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-121.

**Prior Codifications.** — 1981 Ed., § 47-112. 1973 Ed., § 47-112b.

**Editor's notes.** — Disbursing Office abolished: See Historical and Statutory Notes following § 47-111.

### § 47-113. Deputy Disbursing Officer and assistant disbursing officers — Appointment.

The Mayor of the District of Columbia shall appoint a Deputy Disbursing Officer of the District of Columbia and such assistant disbursing officers of the District of Columbia as he may, in his discretion and subject to available appropriations, consider necessary, such Deputy Disbursing Officer and assistant disbursing officers to be subordinated to the Disbursing Officer, District of Columbia.

(July 30, 1951, 65 Stat. 127, ch. 250, § 1; Mar. 3, 1979, D.C. Law 2-139, § 3205(q), 25 DCR 5740; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Cross references.** — Merit system, effective date provisions, see § 1-636.02.

**Prior Codifications.** — 1981 Ed., § 47-113. 1973 Ed., § 47-113a.

**Legislative history of Law 2-139.** — Law 2-139, the "District of Columbia Government Comprehensive Merit Personnel Act of 1978," was introduced in Council and assigned Bill No. 2-10, which was referred to the Committee

on Government Operations. The Bill was adopted on first and second readings on October 17, 1978 and October 31, 1978, respectively. Signed by the Mayor on November 22, 1978, it was assigned Act No. 2-300 and transmitted to both Houses of Congress for its review.

**Editor's notes.** — Disbursing Office abolished: See Historical and Statutory Notes following § 47-111.

### § 47-114. Deputy Disbursing Officer and assistant disbursing officers — Authority and duties.

The Deputy Disbursing Officer and the several assistant disbursing officers each shall have authority:

(1) To make disbursements as an agent of the Disbursing Officer, District of Columbia;

(2) To sign checks drawn against disbursing accounts of the Disbursing Officer, District of Columbia, with the Treasurer of the United States; and

(3) To discharge all other duties required according to law or regulation to be performed by the Disbursing Officer, District of Columbia.

(July 30, 1951, 65 Stat. 127, ch. 250, § 2; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-114. 1973 Ed., § 47-113b.

**Editor's notes.** — Disbursing Office abol-

ished: See Historical and Statutory Notes following § 47-111.

### § 47-115. Deputy Disbursing Officer and assistant disbursing officers — Liability for misconduct; bond.

The Deputy Disbursing Officer and the several assistant disbursing officers shall each be subject, for his official misconduct, to all liabilities and penalties



prescribed by law in like cases for the Disbursing Officer, District of Columbia; and the Deputy Disbursing Officer and each assistant disbursing officer shall give bond to the United States for the benefit of the United States, the District of Columbia, the Mayor of the District of Columbia, and the Disbursing Officer, District of Columbia, conditioned for the faithful performance of the duties of each of their offices in the disbursing and accounting, according to law, for all moneys of the United States and of the District of Columbia that may come into his hands, which bond shall be in the amount required by the Council of the District of Columbia, but to be not less than \$25,000, and to be subject to approval by the Mayor and the Secretary of the Treasury and to be filed in the office of the Secretary of the Treasury.

(July 30, 1951, 65 Stat. 127, ch. 250, § 3; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-115.  
1973 Ed., § 47-113c.

ished: See Historical and Statutory Notes following § 47-111.

**Editor's notes.** — Disbursing Office abol-

## § 47-116. Suspension of items in Disbursing Officer's accounts.

When differences arise in the examination of the accounts of the Disbursing Officer of the District of Columbia, calling for the suspension of any item in said accounts, it shall be the duty of the General Accounting Office to notify the Auditor of the District of Columbia in connection with the Disbursing Officer of the District of Columbia of the grounds of such objections resulting in said suspensions, in order that said Auditor in connection with said Disbursing Officer may by explanation if possible remove said grounds of suspension.

(July 1, 1902, 32 Stat. 592, ch. 1352; June 10, 1921, 42 Stat. 24, ch. 18, § 304; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-116.  
1973 Ed., § 47-119.

ished: See Historical and Statutory Notes following § 47-111.

**Editor's notes.** — Disbursing Office abol-

## §§ 47-117, 47-118. [Reserved].

## § 47-119. Independent annual audit.

(a) For the fiscal year beginning October 1, 1982, and each fiscal year thereafter, the government of the District of Columbia shall conduct, out of funds of the government of the District of Columbia, an audit of the financial operations of such government, and shall include in such independent audit a report of the revenues of the District of Columbia for the fiscal year, broken down by revenues derived from the Federal Government and revenues derived from sources other than the Federal Government during that fiscal year. Each such audit shall be conducted by a certified public accountant licensed in the District of Columbia and carried out in accordance with generally accepted

auditing standards and the financial statements shall be prepared in accordance with generally accepted accounting principles.

(b) For the purpose of conducting an audit for each such fiscal year as required by subsection (a) of this section, the Mayor of the District of Columbia shall, on or after January 2, 1982, select, subject to the advice and consent of the Council of the District of Columbia, a qualified person to conduct such audits for the fiscal year commencing October 1, 1982, and the next following 3 fiscal years. Thereafter, each individual elected as Mayor in a general election held for Mayor of the District of Columbia shall on or after January 2nd next following his or her election to, and the assuming of the Office of Mayor, select, subject to the advice and consent of the Council of the District of Columbia, a qualified person to conduct such audits for the fiscal year commencing October 1st of the calendar year in which the Mayor takes office, and the next following 3 fiscal years. The person previously selected for a 4-year period shall not succeed himself or herself. If the Council fails to act, by resolution on any such selection within a 30-day period following the date on which it receives from the Mayor the name of such person so selected, the Mayor shall be authorized to enter into a contract with that person for the conduct of such audits. If any person so selected by the Mayor to conduct any such audits for such fiscal years is rejected by the Council, the Mayor shall submit to the Council the name of another qualified person selected by the Mayor to conduct such audits. In the event that the Council rejects the 2nd person so selected by the Mayor, the Mayor shall, within 30 days following that rejection, notify the Chairman of the Committee on Appropriations of the Senate and the Chairman of the Committee on Appropriations of the House of Representatives, in writing, of that fact. Within 15 days following the receipt of that notice, such Chairmen shall jointly select a person to conduct such audits and shall inform the Mayor, in writing, of the name of the person so selected. Within 10 days following the receipt by the Mayor of such name, the Mayor shall enter into a contract with such person pursuant to which that person shall conduct such audits for such fiscal years as herein provided.

(c) The Mayor shall submit a copy of the audit report with respect to each such audit so conducted to the Congress, the President of the United States, the Council of the District of Columbia, and the Comptroller General.

(d) This section shall not apply to the District of Columbia Courts or the financial operations thereof.

(Sept. 4, 1976, 90 Stat. 1208, Pub. L. 94-399, § 4; Sept. 26, 1978, 92 Stat. 750, Pub. L. 95-386, § 3; May 10, 1989, D.C. Law 7-231, § 48, 36 DCR 492; Aug. 17, 1991, 105 Stat. 496, Pub. L. 102-102, § 2(c); enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Aug. 5, 1997, 111 Stat. 754, Pub. L. 105-33, § 11244(c).)

**Section references.** — This section is referred to in § 47-371.

**Prior Codifications.** — 1981 Ed., § 47-119. 1973 Ed., § 47-120-2.

**Legislative history of Law 7-231.** — Law 7-231, the "Technical Amendments Act of 1988,"

was introduced in Council and assigned Bill No. 7-586, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 29, 1988 and December 13, 1988, respectively. Signed by the Mayor on January 6, 1989, it was assigned Act



No. 7-285 and transmitted to both Houses of Congress for its review.

## § 47-120. Liability of Auditor or employees.

The Auditor of the District of Columbia or any employee in his office duly authorized in writing by such Auditor who certifies a voucher shall:

(1) Be held responsible for the existence and correctness of the facts recorded in the certificate or otherwise stated in the voucher or its supporting papers, including the correctness of computations on such voucher, and for the legality of the proposed payment under the appropriation or fund involved;

(2) Be required to give bond to the United States and to the District of Columbia, with good and sufficient surety, approved by the Secretary of the Treasury, in such amount as may be determined by the Council of the District of Columbia; and

(3) Be held responsible for and required to make good to the United States or to the District of Columbia the amount of any illegal, improper, or incorrect payment resulting from any false, erroneous, or misleading certification made by him as well as for any payment prohibited by law or which did not represent a legal obligation under the appropriation or fund involved; provided, that the Comptroller General may, in his discretion, relieve such certifying officer or employee of liability for any payment otherwise proper whenever he finds:

(A) That the certification was based on official records and that such certifying officer or employee did not know, and by reasonable diligence and inquiry could not have ascertained, the actual facts; or

(B) that the obligation was incurred in good faith, that the payment was not contrary to any statutory provision specifically prohibiting payments of the character involved, and that the United States or the District of Columbia has received value for such payment; provided further, that the bond required by this section to be given by the Auditor of the District of Columbia shall be conditioned for the faithful discharge of all of the duties of his office and shall be in lieu of any other bond now required by law.

(July 30, 1951, 65 Stat. 125, ch. 246, § 2; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in §§ 47-112 and 47-121.

**Prior Codifications.** — 1981 Ed., § 47-120. 1973 Ed., § 47-120a.

## § 47-121. Enforcement of liability of persons certifying vouchers.

The liability of any person who certifies any voucher pursuant to the provisions of §§ 47-112, 47-120, and 47-121 shall be enforced in the same manner and to the same extent as now provided by law with respect to enforcement of the liability of disbursing and other accountable officers; and they shall have the right to apply for and obtain a decision by the Comptroller General on any question of law involved in a payment on any vouchers presented to them for verification.

(July 30, 1951, 65 Stat. 125, ch. 246, § 4; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-112.

**Prior Codifications.** — 1981 Ed., § 47-121. 1973 Ed., § 47-120b.

### § 47-122. Checks to be countersigned.

The Auditor of the District of Columbia shall continue to prepare and countersign all checks issued by the Disbursing Officer, and no check involving disbursement of public moneys by the Disbursing Officer shall be valid unless countersigned by the Auditor of the District of Columbia.

(July 1, 1902, 32 Stat. 592, ch. 1352; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-122. 1973 Ed., § 47-121.

ished: See Historical and Statutory Notes following § 47-111.

**Editor's notes.** — Disbursing Office abol-

### § 47-123. Chief Clerk of Auditor's office.

The Chief Clerk of the Auditor's Office shall, in the necessary absence or inability from any cause of the Auditor, perform his duties without additional compensation, and shall during the presence of the Auditor perform such duties as shall be prescribed by the Auditor; and the Council of the District of Columbia may require the said Chief Clerk to give bond for the faithful performance of such duties; but the Auditor shall in every respect be responsible to the United States, the District of Columbia, and to individuals, as now provided by law.

(Aug. 6, 1890, 26 Stat. 295, ch. 724; Mar. 2, 1911, 36 Stat. 969, ch. 192; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-123.

1973 Ed., § 47-122.

### § 47-124. Accounts auditable by Auditor.

All accounts for the disbursement of appropriations made either from the revenues of the District of Columbia or jointly from the revenues of the United States and the District of Columbia shall be audited by the Auditor of the District of Columbia before being transmitted to the General Accounting Office, unless otherwise specifically provided in the law making such appropriations; provided, that this provision shall not apply to disbursements on account of the United States Court of Appeals for the District of Columbia Circuit and the United States District Court for the District of Columbia, and for interest and sinking fund on the funded debt of the District of Columbia, which disbursement shall continue to be audited as heretofore provided by law.

(June 30, 1898, 30 Stat. 526, ch. 540; June 10, 1921, 42 Stat. 24, ch. 18, § 304; June 7, 1934, 48 Stat. 926, ch. 426; June 25, 1936, 49 Stat. 1921, ch. 804; June



25, 1948, 62 Stat. 991, ch. 646, § 32(b); May 24, 1949, 63 Stat. 107, ch. 139, § 127; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-124. 1973 Ed., § 47-123.

## § 47-125. Outstanding checks of Disbursing Officer — Amounts to be deposited into Treasury.

At the beginning of each fiscal year, or as soon thereafter as may be practicable, the respective amounts represented by checks drawn by the Disbursing Officer of the District of Columbia, or by any former Disbursing Officer of said District, which have remained outstanding, unsatisfied, and unpaid for 3 years or more, shall be deposited by the Treasurer of the United States and covered back into the Treasury by warrant to the credit of a permanent appropriation account to be denominated "Outstanding Liabilities, District of Columbia," and shall be carried to the credit of the respective parties in whose favor such checks were issued upon the books of the Auditor of the District of Columbia, in like manner as the amounts represented by checks of disbursing officers of the United States which have remained outstanding, unsatisfied, and unpaid for 3 years or more are covered back into the Treasury.

(Apr. 28, 1904, 33 Stat. 574, ch. 1827, § 1; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-125. 1973 Ed., § 47-124. **Editor's notes.** — Disbursing Office abolished: See Historical and Statutory Notes following § 47-111.

## § 47-126. Outstanding checks of Disbursing Officer — Payment of amounts.

The payee or bona fide holder of any check drawn by the Disbursing Officer of the District of Columbia, or by any former Disbursing Officer of said District, the amount of which has been so covered back into the Treasury of the United States, shall, upon application accompanied with competent and sufficient proof, and the surrender of such check, be paid the amount thereof from the said appropriation account to be denominated "Outstanding Liabilities, District of Columbia," upon a claim therefor duly audited and approved by the Auditor of the District of Columbia, subject to like conditions and provisions as those imposed and required by the United States Code, with respect to the payment of amounts represented by checks of disbursing officers of the United States which have been covered back into the Treasury to the credit of outstanding liabilities.

(Apr. 28, 1904, 33 Stat. 574, ch. 1827, § 2; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-126.  
1973 Ed., § 47-125.

ished: See Historical and Statutory Notes following § 47-111.

**Editor's notes.** — Disbursing Office abol-

### § 47-127. Payment of fees into Treasury.

Fees collected by the District of Columbia shall be paid for each fiscal year into the Treasury of the United States to the credit of the General Fund of the District of Columbia.

(June 26, 1912, 37 Stat. 184, ch. 182, § 10; Feb. 22, 1921, 41 Stat. 1144, ch. 70, § 7; Apr. 24, 1926, 44 Stat. 322, ch. 176, § 1; June 28, 1944, 58 Stat. 533, ch. 300, § 18; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-127. 1973 Ed., § 47-126.

### § 47-128. Court fees and fines to be credited to District.

There shall be credited to the District of Columbia that proportion of the fees and fines collected by the United States District Court for the District of Columbia, including fees and fines collected by the offices of the Clerk of that Court, of the Register of Wills of the District of Columbia, and of the United States Marshal for the District of Columbia, as the amount paid by the District of Columbia toward salaries and expenses of such Court and of the offices of the United States Attorney for the District of Columbia and of the United States Marshal for the District of Columbia bears to the total amount of such salaries and expenses; and such proportion of the fees and fines, if any, collected by the United States Court of Appeals for the District of Columbia Circuit, including fees and fines, if any, collected by the office of the Clerk of that Court, as the amount paid by the District of Columbia toward the salaries and expenses of such Court bears to the total amount of such salaries and expenses.

(July 26, 1939, 53 Stat. 1107, ch. 367, title III; June 25, 1948, 62 Stat. 909, ch. 646, § 1; Aug. 2, 1949, 63 Stat. 491, ch. 383, § 7; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Cross references.** — Budget estimates, reimbursement of the United States for certain judicial expenses, see §§ 47-205 and 47-206.

**Prior Codifications.** — 1981 Ed., § 47-128.  
1973 Ed., § 47-126a.

### § 47-129. Revenues credited to General Fund.

After June 28, 1944, any revenue now required by law to be credited to the District of Columbia and the United States in the proportion that each contributed to the activity or source from whence such revenue was derived shall be credited wholly to the General Fund of the District of Columbia.

(June 28, 1944, 58 Stat. 533, ch. 300, § 18; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-129. 1973 Ed., § 47-130a.



§ 47-130. [Reserved].

**§ 47-131. Establishment of General Fund and special accounts; audit of closed special funds.**

(a) There is established for the District of Columbia the General Fund of the District of Columbia (hereinafter in this section referred to as the "General Fund") which shall consist of the following revenues:

- (1) Taxes, fees, charges, and miscellaneous receipts;
- (2) Federal payments authorized by §§ 34-2401.25 and 34-2112 and by § 1-205.02 [repealed];
- (3) Loans advanced to the District of Columbia by the Secretary of the Treasury, and other loans for operating expenses of the District of Columbia government; and

(4) Any moneys for operating expense purposes not otherwise designated to be deposited in another fund of the District of Columbia government.

(b) The Council of the District of Columbia may, from time to time, establish accounts within the General Fund and may direct the Mayor of the District of Columbia to institute such accounting procedures as may be necessary to separately report the revenue and expenditures related to individual programs and activities as it may designate, except that such directives shall not be construed as limiting the authority to transfer funds between accounts established in the General Fund. Within 60 days of the effective date of the establishment of any such account by the Council of the District of Columbia, the Mayor shall submit for Council approval by resolution, a list of the specific taxes, fees, charges, other receipts and expenditures deemed to fully represent the revenues and expenditures associated with the activity or program of each account established.

(c) The Council hereby establishes in the General Fund special accounts for receipts and expenditures related to the following:

- (1) The provision of water service, including the operation of the Washington Aqueduct;
- (2) The provision of sewer service, including the District of Columbia's share of the cost of Potomac Interceptor; and
- (3) Repealed.

(4) The administration, operating, and marketing of the industrial revenue bond program established pursuant to [§ 1-204.90] and the costs of operating and administering economic development programs pursuant to § 47-340.23.

(d) Within 180 days of the effective date of this Act abolishing certain special funds, the Mayor shall conduct an audit of each fund as closed and shall submit such audit report to the Council.

(Jan. 22, 1976, D.C. Law 1-42, § 9, 22 DCR 6318; Apr. 30, 1982, D.C. Law 4-103, § 3, 29 DCR 1395; enacted, April 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Mar. 20, 1998, D.C. Law 12-60, § 503, 44 DCR 7378; Oct. 20, 2005, D.C. Law 16-33, § 2112(a), 52 DCR 7503.)

**Cross references.** — Assessments for street paving, deposit into general fund, see § 47-2324.

Cable Television, special account in general fund, see § 34-1252.03.

General fund, availability for various purposes, see §§ 34-2102, 34-2103, and 34-2113.

Industrial revenue bond fees, deposit of proceeds, see § 47-340.21.

Motor fuel tax, deposit of proceeds, see § 47-2301.

Occupations and professions licensure, special account, see § 47-2853.11.

Registration of motor vehicles, deposit of fees, see § 50-1501.03.

Regulation of parking, deposit of fees, see § 50-2607.

Rehabilitation of alcoholics, donations and gifts, deposit of proceeds in general fund, see § 24-615.

Sanitary sewage works, lien enforcement, deposit of proceeds, see § 34-2110.

Washington aqueduct, deposit of water rents, see § 34-2401.14.

Water and sewer services amnesty program, treatment of outstanding charges, see § 34-2302.

**Prior Codifications.** — 1981 Ed., § 47-131. 1973 Ed., § 47-130c.

**Effect of amendments.** — D.C. Law 16-33 rewrote subsec. (c)(4), which had read as follows: “(4) The administration, operation, and marketing of the industrial revenue bond program established pursuant to § 1-204.90.”

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 503 of Fiscal Year 1998 Revised Budget Support Temporary Act of 1997 (D.C. Law 12-59, March 20, 1998, law notification 45 DCR 2094).

**Emergency legislation.** — For temporary amendment of section, see § 503 of the Fiscal Year 1998 Revised Budget Support Emergency Act of 1997 (D.C. Act 12-152, October 17, 1997, 44 DCR 6196), and see § 503 of the Fiscal Year 1998 Revised Budget Support Congressional Review Emergency Act of 1997 (D.C. Act 12-239, January 13, 1998, 45 DCR 508).

For temporary (90 day) amendment of section, see § 2112(a) of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

**Legislative history of Law 1-42.** — Law 1-42, the “Revenue Funds Availability Act of

1975,” was introduced in Council and assigned Bill No. 1-161, which was referred to the Committee on the Budget. The Bill was adopted on first and second readings on July 29, 1975 and October 7, 1975, respectively. Signed by the Mayor on October 24, 1975, it was assigned Act No. 1-59 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 4-103.** — Law 4-103, the “Stable and Reliable Source of Revenues for WMATA Act of 1982,” was introduced in Council and assigned Bill No. 4-61, which was referred to the Committee on Finance and Revenue and the Committee on Transportation and Environmental Affairs. The Bill was adopted on first and second readings on February 9, 1982 and February 23, 1982, respectively. Signed by the Mayor on March 10, 1982, it was assigned Act No. 4-164 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 12-60.** — Law 12-60, the “Fiscal Year 1998 Revised Budget Support Act of 1998,” was introduced in Council and assigned Bill No. 12-353, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on September 8, 1997, and October 24, 1997, respectively. Signed by the Mayor on October 24, 1997, it was assigned Act No. 12-191 and transmitted to both Houses of Congress for its review. D.C. Law 12-60 became effective on March 20, 1998.

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Short title.** — Short title of subtitle I of title II of Law 16-33: Section 2111 of D.C. Law 16-33 provided that subtitle I of title II of the act may be cited as the Great Streets Development Act of 2005.

**References in text.** — “This Act,” referred to in subsection (d) of this section, is D.C. Law 1-42, the Revenue Funds Availability Act of 1975, approved January 22, 1976 (22 DCR 6318), codified as §§ 24-615, 50-1501.03, 50-2201.03, 50-2607, 34-2401.14, 34-2101 to 34-2104, 34-2110, 34-2113, 34-2132, 34-2133, 47-131, 47-2301, 47-2324, and 47-2509.

**Editor’s notes.** — Purpose of D.C. Law 1-42: See § 2 of the Act of January 22, 1976, D.C. Law 1-42.

References to funds abolished by D.C. Law 1-42: See § 8 of the Act of January 22, 1976, D.C. Law 1-42.

## § 47-132. Payment into Treasury of moneys received from sales of animals and materials.

All moneys received from the sales of animals or materials of any sort, purchased under appropriations made for the District of Columbia since July 1, 1878, other than for the Water Department, shall be paid into the Treasury



of the United States, to the credit of the General Fund of the District of Columbia.

(Mar. 2, 1889, 25 Stat. 808, ch. 370, § 3; Feb. 22, 1921, 41 Stat. 1144, ch. 70, § 7; June 30, 1944, 58 Stat. 533, ch. 300, § 18; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-132. 1973 Ed., § 47-132.

### § 47-133. Investment of funds in federal securities.

On and after June 29, 1956, the Mayor of the District of Columbia is authorized in his discretion to invest and reinvest at any time in United States government securities, with the approval of the Secretary of the Treasury, any part of the general, special, or trust funds of the District of Columbia not needed to meet current expenses, to deposit the interest accruing from such investments to the credit of the fund from which the investment was made, and the Secretary of the Treasury is authorized to sell or exchange such securities for other government securities, and deposit the proceeds to the credit of the appropriate fund.

(June 29, 1956, 70 Stat. 453, ch. 479, § 7; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-133. 1973 Ed., § 47-135.

### § 47-134. Establishment of working fund — Maintenance and repair of vehicles.

The Mayor of the District of Columbia is authorized to establish a permanent working fund, which shall be available without fiscal year limitation, for necessary expenses of maintenance and repair of vehicles of the government of the District of Columbia; and said fund shall be reimbursed, or credited in advance if required by the Director of the Department of Transportation, for the costs of all work performed thereunder.

(July 1, 1954, 68 Stat. 396, ch. 449, § 18; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-134. 1973 Ed., § 47-136.

**Editor's notes.** — Department of Highways abolished: The Department of Highways was replaced by Reorganization Order 58-1116, dated July 15, 1958, which Order established the Department of Highways and Traffic. The executive functions of the Board of Commissioners were transferred to the Commissioner of the District of Columbia by § 401 of Reorganization Plan No. 3 of 1967. Reorganization Plan No. 2 of 1975, dated July 24, 1975, combined the Department of Motor Vehicles and

the Department of Highways and Traffic to form the Department of Transportation. The functions of the Department of Transportation were transferred to the Department of Public Works by Reorganization Plan No. 4 of 1983, effective March 1, 1984.

Transfer of unexpended balance: Section 7(f) of the Act of June 14, 1980, D.C. Law 3-70, provided for the transfer to the Motor Vehicle Maintenance Fund of any unexpended balance in the Maintenance and Repair of Vehicles Fund.

### § 47-135. Establishment of working fund — Printing, duplicating, and photographing.

The Mayor of the District of Columbia is authorized to establish a working fund without fiscal year limitation for the purpose of printing, duplicating, and photographing; and the unexpended balances in the miscellaneous trust fund accounts “Operating Account, Printing” and “Operating Account, Blueprinting” shall be deposited to said working fund; and the fund shall be reimbursed for all services performed thereunder.

(July 5, 1955, 69 Stat. 263, ch. 272, § 14; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-135.  
1973 Ed., § 47-137.

**Editor’s notes.** — Transfer of unexpended balances: Section 7(g) of the Act of June 14, 1980, D.C. Law 3-70, provided for the transfer

to the Department of General Services Internal Service Fund, or successor fund established by the Mayor, of any unexpended balances in the working capital fund for printing, duplicating, and photographing.

### § 47-136. Restoration of lapsed appropriations.

The Secretary of the Treasury is authorized to restore from lapsed appropriations amounts certified by the Mayor of the District of Columbia, or his designated representatives, as being necessary for the payment of audited claims under such appropriations.

(Aug. 6, 1958, 72 Stat. 512, Pub. L. 85-594, § 14; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-136.      1973 Ed., § 47-138.

### § 47-137. Capital outlay appropriations.

Amounts appropriated under “capital outlay,” together with such amounts previously appropriated under “capital outlay,” shall be available within the appropriations involved without regard to fiscal year project limitations.

(July 23, 1959, 73 Stat. 235, Pub. L. 86-104, § 1; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-137.      1973 Ed., § 47-139.

### § 47-138. Use of appropriated funds to promote demonstrations to influence legislation or other governmental actions.

No funds appropriated for the government of the District of Columbia may be used to furnish materials or services to promote or further any demonstration in the District of Columbia undertaken for the purpose of influencing legislation or other governmental actions of the United States government or the government of the District of Columbia, except that nothing in this section shall preclude the government of the District of Columbia from taking such



emergency action as the Mayor of the District of Columbia determines necessary for the preservation of the health, safety, or welfare of any person within the District of Columbia.

(Aug. 2, 1968, 82 Stat. 615, Pub. L. 90-450, title IV, § 402; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-138. 1973 Ed., § 47-145.

**Emergency legislation.** — For temporary (90 day) addition, see § 7 of Finance and Revenue Technical Amendments Second Emergency Amendment Act of 2006 (D.C. Act 16-585, December 28, 2006, 54 DCR 340).

**Editor's notes.** — No appropriations to be

used for publicity, propaganda or lobbying: Section 116 of Pub. L. 101-168, the District of Columbia Appropriations Act, 1990, provided that no part of this appropriation shall be used for publicity or propaganda purposes or implementation of any policy including boycott designed to support or defeat legislation pending before Congress or any state legislature.

**§§ 47-139 to 47-142. Investment of public funds in financial institutions and companies making loans to or doing business with South Africa — Mayor's order; notice of required withdrawal or divestiture; time required for withdrawal or divestment; exception to prohibition . [Repealed].**

Repealed.

(June 28, 1994, D.C. Law 10-134, § 5, 41 DCR 2567.)

**Prior Codifications.** — 1981 Ed., §§ 47-139 to 47-142.

**Temporary Amendment of Section.** — For temporary (225 day) repeal of sections, see § 5 of South Africa Sanctions Repeal Act of 1993 (D.C. Law 10-75, March 8, 1994, law notification 41 DCR 1518).

**Legislative history of Law 10-134.** — Law 10-134, the "South Africa Sanctions Repeal Act of 1994," was introduced in Council and as-

signed Bill No. 10-427, which was referred to the Committee on Consumer and Regulatory Affairs. The Bill was adopted on first and second readings on March 1, 1994, and April 12, 1994, respectively. Signed by the Mayor on April 28, 1994, it was assigned Act No. 10-234 and transmitted to both Houses of Congress for its review. D.C. Law 10-134 became effective on June 28, 1994.

**§ 47-143. United States Treasury offset program authorized; setoff of federal debts.**

(a) For the purposes of this section, the term:

(1) "Chief Financial Officer" means the Chief Financial Officer of the District of Columbia established pursuant to § 1-204.24(a)(1).

(2) "District of Columbia payment" means a payment by the District of Columbia to a person, including tax refunds, vendor and contractor payments, and expense reimbursements to an employee of the District of Columbia. The term "District of Columbia payment" shall not include salary, wages, or pension payments.

(3) "Federal official" means a unit or official of the federal government charged with the collection of nontax liabilities payable to the federal government and with the authority to enter into the offset agreement.

(4) "Offset agreement" means an agreement authorized by this section.

(5) "Person" means an individual, vendor, contractor, partnership, society, association, joint stock company, limited liability company, corporation, estate, receiver, trustee, assignee, and any other person acting in a fiduciary or representative capacity whether appointed by a court or otherwise, or a combination of the foregoing.

(b) The Mayor may enter into an agreement with the United States Secretary of the Treasury to participate in the Treasury Offset Program. The offset agreement may provide for the collection of any delinquent debt owed to the District of Columbia from federal payments payable to the debtor. The offset agreement may also provide for the United States to submit requests to the District for delinquent nontax debts owed to federal agencies to be offset against District of Columbia payments.

(c) The Mayor may authorize the Chief Financial Officer to reduce a District of Columbia payment by the amount of any federal nontax debt amount requested by the United States to be offset by the District in accordance with the offset agreement.

(d) The offset agreement may provide for the United States or the District to charge a fee for an offset implemented by either party and that the offset fee may be deducted from amounts remitted to the District of Columbia by the federal government. The amount of an offset fee charged by the United States shall be added to the nontax debt amount owed the District by the debtor and shall be considered an additional debt of the debtor, which shall be subject to offset. The amount of an offset fee charged by the District shall be deposited in the General Fund of the District of Columbia.

(e) The offset agreement may provide that a federal official may:

(1) Certify to the Mayor the existence of a delinquent nontax debt owed by a person to the federal government by providing:

(A) The full name of the person;

(B) The social security number or federal tax identification number of the person;

(C) The amount of the delinquent nontax debt owed by the person to the federal government; and

(D) Any other information required pursuant to the agreement; and

(2) Request the Mayor to authorize the Chief Financial Officer to withhold a District of Columbia payment to which the person is otherwise entitled.

(f) After receiving a certified offset request from a federal official, the Mayor may (or shall, if required by the offset agreement):

(1) Determine if a person for whom the offset request is received is due a District of Columbia payment;

(2) Authorize the Chief Financial Officer to withhold a District of Columbia payment that is otherwise due to the person for whom an offset request has been received;

(3) Authorize the Chief Financial Officer to pay to the federal official the lesser of:

(A) The entire District of Columbia payment, less any offset fee authorized by the offset agreement; or

(B) The amount certified, less any offset fee authorized by the agreement; and



(4) Notify the person of the amount withheld.

(g) The Mayor may:

(1) Certify to a federal official a delinquent debt owed by a person to the District by providing to the federal official:

(A) The name and address of the person and any other names known to be used by the person;

(B) The social security number or tax identification number of the person;

(C) The amount of the delinquent debt due to the District of Columbia by the person;

(D) A statement that the debt is past due and legally enforceable in the amount certified; and

(E) Any other information required by the offset agreement; and

(2) Request that the federal official withhold any federal payment to which the person is otherwise entitled and pay to the District the amount of debt certified.”.

(Apr. 8, 2011, D.C. Law 18-370, § 702(b), 58 DCR 1008.)

**Emergency legislation.** — For temporary (90 day) addition of § 47-143, see § 702(b) of Fiscal Year 2011 Supplemental Budget Support Emergency Act of 2010 (D.C. Act 18-694, January 19, 2011, 58 DCR 662).

**Legislative history of Law 18-370.** — Law 18-370, the “Fiscal Year 2011 Supplemental Budget Support Act of 2010”, was introduced in Council and assigned Bill No. 18-1100, which was referred to the Committee of the Whole. The Bill was adopted on first and second read-

ings on December 7, 2010, and December 21, 2010, respectively. Signed by the Mayor on January 27, 2011, it was assigned Act No. 18-721 and transmitted to both Houses of Congress for its review. D.C. Law 18-370 became effective on April 8, 2011.

**Short title.** — Short title: Section 701 of D.C. Law 18-370 provided that subtitle A of title VII of the act may be cited as “Reciprocal State-Federal Offset Act of 2010”.

## CHAPTER 1A. TAX RETURN PREPARERS [REPEALED].

Sec.

47-161. [Repealed].  
 47-162. [Repealed].  
 47-163. [Repealed].  
 47-164. [Repealed].  
 47-165. [Repealed].

Sec.

47-166. [Repealed].  
 47-167. [Repealed].  
 47-168. [Repealed].  
 47-169. [Repealed].  
 47-170. [Repealed].

## § 47-161. Definitions. [Repealed].

Repealed.

(Apr. 30, 1994, D.C. Law 10-115, § 101, 41 DCR 1216; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(a), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-161.

**Legislative history of Law 10-115.** — Law 10-115, the “Financial Administration Revision and Clarification Act of 1994,” was introduced in Council and assigned Bill No. 10-439, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on January 4, 1994, and February 1, 1994, respectively. Signed by the Mayor on February 25, 1994, it was assigned Act No. 10-205 and transmitted to both Houses of Congress for its review. D.C. Law 10-115 became effective on April 30, 1994.

**Legislative history of Law 13-305.** — Law 13-305, the “Tax Clarity Act of 2000,” was introduced in Council and assigned Bill No. 13-586, which was referred to the Committee on Finance and Revenue. The Bill was adopted

on first and second readings on October 2, 2000, and November 8, 2000, respectively. Signed by the Mayor on December 13, 2000, it was assigned Act No. 13-501 and transmitted to both Houses of Congress for its review. D.C. Law 13-305 became effective on June 9, 2001.

**Editor’s notes.** — Mayor authorized to issue rules: Section 111 of D.C. Law 10-115 provided that, pursuant to subchapter I of Chapter 5 of Title 2, the Mayor shall issue rules to implement the provisions of this chapter.

Section 410(d) of D.C. Law 13-305 provided: “Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000.”

## § 47-162. Penalty imposed on a tax return preparer for failure to sign a return. [Repealed].

Repealed.

(Apr. 30, 1994, D.C. Law 10-115, § 102, 41 DCR 1216; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(a), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-162.

**Legislative history of Law 10-115.** — For legislative history of D.C. Law 10-115, see Historical and Statutory Notes following § 47-161.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-161.

**Editor’s notes.** — Section 410(d) of D.C.

Law 13-305 provided: “Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000.”

## § 47-163. Understatement of taxpayer’s liability by tax return preparer. [Repealed].

Repealed.

(Apr. 30, 1994, D.C. Law 10-115, § 103, 41 DCR 1216; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(a), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-163.  
**Legislative history of Law 10-115.** — For legislative history of D.C. Law 10-115, see Historical and Statutory Notes following § 47-161.  
**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-161.  
**Editor's notes.** — Section 410(d) of D.C.

Law 13-305 provided: "Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000."

## § 47-164. Penalty for aiding and abetting understatement of a taxpayer's tax liability. [Repealed].

Repealed.

(Apr. 30, 1994, D.C. Law 10-115, § 104, 41 DCR 1216; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(a), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-164.  
**Legislative history of Law 10-115.** — For legislative history of D.C. Law 10-115, see Historical and Statutory Notes following § 47-161.  
**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-161.  
**Editor's notes.** — Section 410(d) of D.C.

Law 13-305 provided: "Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000."

## § 47-165. Frivolous tax return. [Repealed].

Repealed.

(Apr. 30, 1994, D.C. Law 10-115, § 105, 41 DCR 1216; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(a), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-165.  
**Legislative history of Law 10-115.** — For legislative history of D.C. Law 10-115, see Historical and Statutory Notes following § 47-161.  
**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-161.  
**Editor's notes.** — Section 410(d) of D.C.

Law 13-305 provided: "Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000."

## § 47-166. Statute of limitations on assessment of penalties and claims for refund. [Repealed].

Repealed.

(Apr. 30, 1994, D.C. Law 10-115, § 106, 41 DCR 1216; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(a), 48 DCR 334.)



**Prior Codifications.** — 1981 Ed., § 47-166.

**Legislative history of Law 10-115.** — For legislative history of D.C. Law 10-115, see Historical and Statutory Notes following § 47-161.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-161.

**Editor's notes.** — Section 410(d) of D.C.

Law 13-305 provided: "Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000."

## § 47-167. Determination of penalty; notice to tax return preparer; protest of determination. [Repealed].

Repealed.

(Apr. 30, 1994, D.C. Law 10-115, § 107, 41 DCR 1216; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(a), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-167.

**Legislative history of Law 10-115.** — For legislative history of D.C. Law 10-115, see Historical and Statutory Notes following § 47-161.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-161.

**Editor's notes.** — Section 410(d) of D.C.

Law 13-305 provided: "Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000."

## § 47-168. Claim for refund. [Repealed].

Repealed.

(Apr. 30, 1994, D.C. Law 10-115, § 108, 41 DCR 1216; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(a), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-168.

**Legislative history of Law 10-115.** — For legislative history of D.C. Law 10-115, see Historical and Statutory Notes following § 47-161.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-161.

**Editor's notes.** — Section 410(d) of D.C.

Law 13-305 provided: "Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000."

## § 47-169. Right to judicial appeal. [Repealed].

Repealed.

(Apr. 30, 1994, D.C. Law 10-115, § 109, 41 DCR 1216; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(a), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-169.

**Legislative history of Law 10-115.** — For legislative history of D.C. Law 10-115, see Historical and Statutory Notes following § 47-161.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-161.

**Editor's notes.** — Section 410(d) of D.C.

Law 13-305 provided: "Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000."



§ 47-170. Right to judicial appeal. [Repealed].

Repealed.

(Apr. 30, 1994, D.C. Law 10-115, § 110, 41 DCR 1216; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(a), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-170.

**Legislative history of Law 10-115.** — For legislative history of D.C. Law 10-115, see Historical and Statutory Notes following § 47-161.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-161.

**Editor's notes.** — Section 410(d) of D.C.

Law 13-305 provided: "Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000."

## CHAPTER 1B. CREDITING OF TAX REFUNDS AGAINST DELINQUENT TAXES [REPEALED].

Sec.

47-171 to 47-176. [Repealed].

## § 47-171. Definitions. [Repealed].

Repealed.

(June 14, 1994, D.C. Law 10-128, § 201, 41 DCR 2096; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(b), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-171.

**Legislative history of Law 10-128.** — Law 10-128, the “Omnibus Budget Support Act of 1994,” was introduced in Council and assigned Bill No. 10-575, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on March 22, 1994, and April 12, 1994, respectively. Signed by the Mayor on April 14, 1994, it was assigned Act No. 10-225 and transmitted to both Houses of Congress for its review. D.C. Law 10-128 became effective on June 14, 1994.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-161.

**Editor’s notes.** — Mayor authorized to issue rules: Section 208 of D.C. Law 10-128 provided that the Mayor may issue rules, pursuant to subchapter I of Chapter 5 of Title 2, necessary for the proper administration of this chapter.

Section 410(e) of D.C. Law 13-305 provided: “Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x) through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001.”

## § 47-172. Crediting a tax refund. [Repealed].

Repealed.

(June 14, 1994, D.C. Law 10-128, § 202, 41 DCR 2096; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(b), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-172.

**Legislative history of Law 10-128.** — For legislative history of D.C. Law 10-128, see Historical and Statutory Notes following § 47-171.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-161.

**Editor’s notes.** — Section 410(e) of D.C. Law 13-305 provided: “Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x) through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001.”

## § 47-173. Multiple party returns. [Repealed].

Repealed.

(June 14, 1994, D.C. Law 10-128, § 203, 41 DCR 2096; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(b), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-173.

**Legislative history of Law 10-128.** — For legislative history of D.C. Law 10-128, see Historical and Statutory Notes following § 47-171.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-161.

**Editor’s notes.** — Section 410(e) of D.C. Law 13-305 provided: “Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x) through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001.”

§ 47-174. Priority over intercepts. [Repealed].

Repealed.

(June 14, 1994, D.C. Law 10-128, § 204, 41 DCR 2096; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(b), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-174.

**Legislative history of Law 10-128.** — For legislative history of D.C. Law 10-128, see Historical and Statutory Notes following § 47-171.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-161.

**Editor's notes.** — Section 410(e) of D.C. Law 13-305 provided: "Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x)through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001."

§ 47-175. Notice; protest. [Repealed].

Repealed.

(June 14, 1994, D.C. Law 10-128, § 205, 41 DCR 2096; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(b), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-175.

**Legislative history of Law 10-128.** — For legislative history of D.C. Law 10-128, see Historical and Statutory Notes following § 47-171.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-161.

**Editor's notes.** — Section 410(e) of D.C. Law 13-305 provided: "Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x)through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001."

§ 47-176. Remedy not exclusive. [Repealed].

Repealed.

(June 14, 1994, D.C. Law 10-128, § 206, 41 DCR 2096; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(b), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-176.

**Legislative history of Law 10-128.** — For legislative history of D.C. Law 10-128, see Historical and Statutory Notes following § 47-171.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-161.

**Editor's notes.** — Section 410(e) of D.C. Law 13-305 provided: "Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x)through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001."



## CHAPTER 2. BUDGET ESTIMATES.

Sec.	Sec.
47-201. Salaries of Courthouse protection force and Superintendent of Washington Asylum and Jail; payment; submission of estimates.	Employees and supplies for maintenance of sewers.
47-202. Expenditures for school buildings and grounds — Submission of estimates.	47-209. Items included in annual estimates — Employees, supplies and expenses for highway bridge and approaches.
47-203. Expenditures for school buildings and grounds — Preparation of estimates.	47-210. Items included in annual estimates — Certain expenses incurred in claims against District.
47-204. [Repealed].	47-211. Items included in annual estimates — Provision for real estate assessment.
47-205. Reimbursement of United States for space costs of United States Attorney and United States Marshal.	47-212. Items included in annual estimates — Expenses of Water Department.
47-206. Reimbursement of United States for expenses of United States Court of Appeals for the District of Columbia Circuit.	47-213. Preparation and submission of expense estimates for government of District.
47-207. Items included in annual estimates — Assignment of certain market employees.	47-214. Schedule of funds available from federal and private grants.
47-208. Items included in annual estimates —	47-215. Publication of District expense estimates.

### § 47-201. Salaries of Courthouse protection force and Superintendent of Washington Asylum and Jail; payment; submission of estimates.

The salaries of the force necessary for the care and protection of the Courthouse in the District of Columbia and of the salary of the Superintendent of the Washington Asylum and Jail shall be paid out of the revenues of the District of Columbia and the Treasury of the United States in the manner prescribed by the District of Columbia appropriation acts for the respective years for which such sums are provided, and estimates for such expenses shall each year hereafter be submitted in the annual estimates for the expenses of the government of the District of Columbia.

(July 31, 1894, 28 Stat. 202, ch. 174; Mar. 2, 1911, 36 Stat. 1003, ch. 192; June 29, 1922, 42 Stat. 668, ch. 249; June 25, 1938, 52 Stat. 1125, ch. 681, § 1; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-201. 1973 Ed., § 47-201.

### § 47-202. Expenditures for school buildings and grounds — Submission of estimates.

A detailed statement of the expenditure of the appropriation made for repairs and improvements to school buildings and grounds and for repairing and renewing heating, plumbing, and ventilating apparatus, and installation of sanitary drinking fountains in buildings not supplied with same, and the taking down, transferring, and the reerection of portable schools shall be submitted with the annual estimates.

(Mar. 3, 1915, 38 Stat. 910, ch. 80; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-202. 1973 Ed., § 47-202.

**§ 47-203. Expenditures for school buildings and grounds  
— Preparation of estimates.**

Estimates of expenditures for buildings and grounds for the public schools of the District of Columbia, shall hereafter be prepared in accordance with the provisions of the Act of Congress approved February 26, 1925.

(Feb. 26, 1925, 43 Stat. 994, ch. 342, § 9; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-203. 1973 Ed., § 47-203.

**§ 47-204. Reimbursement of United States for expenses of  
United States District Court for the District of  
Columbia. [Repealed].**

Repealed.

(Sept. 13, 1982, 96 Stat. 877, Pub. L. 97-258, § 5(b).)

**Prior Codifications.** — 1981 Ed., § 47-204.

**§ 47-205. Reimbursement of United States for space costs  
of United States Attorney and United States  
Marshal.**

Beginning on the effective date of this title, the Executive Officer of the District of Columbia Courts shall reimburse to the United States from any funds in the Treasury to the credit of the District of Columbia courts the amount determined by the Administrator of General Services to be necessary to cover 75% of the costs of operation, maintenance, and repair of space used by the United States Attorney and the United States Marshal for the District of Columbia.

(July 29, 1970, 84 Stat. 591, Pub. L. 91-358, title I, § 173(a)(2); enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-205. 1973 Ed., § 47-204a. to in this section, is title I of 84 Stat. 475, Pub. L. 91-358, approved July 29, 1970, which is codified throughout the Code.

**References in text.** — “This title,” referred

**§ 47-206. Reimbursement of United States for expenses of  
United States Court of Appeals for the District  
of Columbia Circuit.**

(a) Until the day before the effective date of the District of Columbia Court

Reorganization Act of 1970, the Commissioner of the District of Columbia shall reimburse the United States for 30% of the expenditures made on or before that day for the expenses of the United States Court of Appeals for the District of Columbia Circuit. During the 30-month period beginning on such effective date, the Executive Officer of the District of Columbia Courts shall reimburse the United States for expenditures made during that period for such expenses at the following rates of reimbursement:

- (1) Twenty per centum for the first 18 months of such period; and
- (2) Ten per centum for the remainder of such period.

(b) Notwithstanding any other provision of law, no reimbursement for such expenses shall be required after the expiration of the 30-month period beginning on such effective date.

(July 29, 1970, 84 Stat. 592, Pub. L. 91-358, title I, § 173(d); enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-206.  
1973 Ed., § 47-204b.

**References in text.** — “The effective date of the District of Columbia Court Reorganization Act of 1970,” referred to in the first sentence of

subsection (a) of this section, means, as set forth in § 199(c) of the Act, the first day of the seventh calendar month which began after the enactment of the Act (February 1, 1971).

### **§ 47-207. Items included in annual estimates — Assignment of certain market employees.**

The Mayor of the District of Columbia each year in the annual estimates shall report to Congress the assignment of the market masters, assistant market masters, watchmen, and laborers to the various markets and offices.

(July 11, 1919, 41 Stat. 70, ch. 7, § 1; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-207. 1973 Ed., § 47-205.

### **§ 47-208. Items included in annual estimates — Employees and supplies for maintenance of sewers.**

Estimates in detail shall be submitted annually for the employment of mechanics, laborers, and watchmen, and the purchase of coal, oils, waste, and other supplies for the maintenance of sewers.

(June 27, 1906, 34 Stat. 494, ch. 3553; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-208. 1973 Ed., § 47-206.

### **§ 47-209. Items included in annual estimates — Employees, supplies and expenses for highway bridge and approaches.**

Estimates in detail shall be submitted annually for salaries of employees,



lighting, power, and miscellaneous supplies and expenses of every kind necessarily incident to the operation and maintenance of the highway bridge and approaches.

(June 27, 1906, 34 Stat. 492, ch. 3553; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Cross references.** — Public roads and bridges, jurisdiction of mayor, see § 9-101.02.

**Prior Codifications.** — 1981 Ed., § 47-209. 1973 Ed., § 47-207.

## § 47-210. Items included in annual estimates — Certain expenses incurred in claims against District.

The estimates for expenses incurred on account of the District of Columbia in the examination of witnesses and procuring of evidence in the matter of claims against the District of Columbia pending in any department shall be submitted in the annual estimates for the District of Columbia.

(Aug. 4, 1886, 24 Stat. 252, ch. 902, § 1; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-210.

1973 Ed., § 47-208.

## § 47-211. Items included in annual estimates — Provision for real estate assessment.

The Mayor of said District shall in his annual estimates include all necessary provision to carry out the provisions of law relative to the assessment of real estate, to be immediately available.

(Aug. 14, 1894, 28 Stat. 285, ch. 287, § 14; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Cross references.** — Authority and procedure to establish real property tax rates, violations of assessment provisions, see § 47-828.

**Prior Codifications.** — 1981 Ed., § 47-211. 1973 Ed., § 47-209.

## § 47-212. Items included in annual estimates — Expenses of Water Department.

It shall be the duty of the Mayor to include in the annual estimates of the District of Columbia estimates of the expenses of the Water Department.

(Mar. 3, 1881, 21 Stat. 466, ch. 134, § 1; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Cross references.** — Tax on residents and nonresidents, credits, property taxes, see § 47-1806.06.

Water supply, see § 34-2401.04 et seq.

**Prior Codifications.** — 1981 Ed., § 47-212. 1973 Ed., § 47-210.

**§ 47-213. Preparation and submission of expense estimates for government of District.**

The estimates for expenses of the government of the District of Columbia shall be prepared and submitted each year according to the order and arrangement of the appropriation act for the year preceding, and any change in such order and arrangement and transfers of salaries from 1 office or department to another desired by the Mayor may be submitted by note in the estimates.

(July 1, 1902, 32 Stat. 616, ch. 1352, § 4; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-213. 1973 Ed., § 47-211.

**§ 47-214. Schedule of funds available from federal and private grants.**

Along with, and in addition to, all other financial and budgetary information and data which the Mayor of the District of Columbia is required annually to submit to the Office of Management and Budget by 31 U.S.C. § 1108(b)(1), the Mayor shall prepare and submit to that Office a schedule showing an estimate of all funds which will be available to any agency, department, or instrumentality of the District of Columbia government, during the fiscal year for which such financial and budgetary information and data are submitted, for grants from any federal agency, department, or instrumentality, or from any private source. Such schedule shall include such additional information as the Office of Management and Budget deems necessary and appropriate to fully indicate the purposes for which such grants will be made, the scope of the programs funded by such grants, and the relationship between the grant funded programs and the programs of such agency, department, or instrumentality funded by money appropriated directly to the District of Columbia. Such schedule, and such additional information as the Office of Management and Budget may include, shall be transmitted to the Congress along with the annual budget request from the District of Columbia government.

(Dec. 15, 1971, 85 Stat. 656, Pub. L. 92-196, title VII, § 703; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-214. 1973 Ed., § 47-211a.

**§ 47-215. Publication of District expense estimates.**

The annual estimates for expenses of the District of Columbia shall not be published in advance of their submission to Congress at the beginning of each regular session thereof.

(Mar. 3, 1909, 35 Stat. 728, ch. 250, § 7; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**§ 47-215**

**TAXATION, LICENSING, PERMITS, ETC.**

**Cross references.** — Commission on the Arts and Humanities, budget submissions, see § 39-205.

**Prior Codifications.** — 1981 Ed., § 47-215.  
1973 Ed., § 47-212.



## BUDGET AND FINANCIAL MANAGEMENT

### CHAPTER 3. BUDGET AND FINANCIAL MANAGEMENT; BORROWING; DEPOSIT OF FUNDS.

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## BUDGET AND FINANCIAL MANAGEMENT

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*Subchapter I. Budget and Financial Management.*

**§ 47-301. [Reserved].**

**§ 47-301.01. Submission of annual expense estimates by court-appointed receivers.**

If a department or agency of the government of the District of Columbia is under the administration of a court-appointed receiver or other court-appointed official during fiscal year 1998 or any succeeding fiscal year, the receiver or official shall prepare and submit to the Mayor, for inclusion in the annual budget of the District of Columbia for the year, annual estimates of the expenditures and appropriations necessary for the maintenance and operation of the department or agency. All such estimates shall be forwarded by the Mayor to the Council, for its action pursuant to sections 446 and 603(c) of the District of Columbia Home Rule Act, without revision but subject to the Mayor's recommendations. Notwithstanding any provision of the District of Columbia Home Rule Act, the Council may comment or make recommendations concerning such annual estimates but shall have no authority under such Act to revise such estimates.

(Nov. 19, 1997, 111 Stat. 2178, Pub. L. 105-100, § 140.)

**Prior Codifications.** — 1981 Ed., § 47-301.1. 603(c) of the Act of December 24, 1973, 87 Stat. 774, Pub. L. 93-198, set out in Volume 1, and codified as §§ 1-204.46 and 1-206.03(c), respectively.

**References in text.** — Sections 446 and 603(c) of the District of Columbia Home Rule Act, referred to in this section, are §§ 446 and

**§§ 47-302 to 47-305. [Reserved].**

**§ 47-305.01. Revenue from public rights-of-way included in budget submission.**

(a) All of the revenue derived from the collection of charges imposed for rental and utilization of public space authorized by the District of Columbia Public Space Rental Act, approved October 17, 1968 (82 Stat. 1156; D.C. Official Code § 10-1101.01 et seq.), shall be dedicated annually to the Local Transportation Fund.

(b) Revenue derived from the collection of charges imposed for rental and utilization of public space authorized by the District of Columbia Public Space Rental Act, approved October 17, 1968 (82 Stat. 1156; D.C. Official Code

§ 10-1101.01 et seq.), may be transferred annually to the District of Columbia Highway Trust Fund in an amount sufficient to meet the local contribution to match the federal entitlement grant.

(Oct. 19, 2000, D.C. Law 13-172, § 505, 47 DCR 6308; Apr. 8, 2011, D.C. Law 18-370, § 625(a), 58 DCR 1008.)

**Effect of amendments.** — D.C. Law 18-370 rewrote the section, which formerly read:

“(a) The Mayor’s submission of proposed budgets to the Council beginning with the budget for fiscal year 2002 shall provide for all of the revenue derived from the collection of public rights-of-way occupancy fees to be dedicated to the District of Columbia Highway Trust fund and shall provide for any necessary adjustments to keep in balance the financial plan.

“(b) Subsection (a) of this section shall not be applicable to the extent that FY 2002 General Fund revenues are inadequate and revenues do not exceed projections as certified in conjunction with the Fiscal Year 2001 Budget Request Act. In this event, the Mayor shall include a detailed explanation with his submission of the FY 2002 budget to the Council.”

Section 6(b) of D.C. Law 19-97 provided that the act shall expire after 225 days of its having taken effect.

**Temporary Repeal of Section.** — Section 2 of D.C. Law 19-97 repealed this section.

**Emergency legislation.** — For temporary (90-day) authorization of public rights-of-way occupancy fee appropriation, see § 505 of the Fiscal Year 2001 Budget Support Emergency Act of 2000 (D.C. Act 13-376, July 24, 2000, 47 DCR 6574).

For temporary (90 day) amendment of section, see § 505 of the Fiscal Year 2001 Budget

Support Congressional Review Emergency Act of 2000 (D.C. Act 13-438, October 20, 2000, 47 DCR 8740).

For temporary (90 day) amendment of section, see § 625(a) of Fiscal Year 2011 Supplemental Budget Support Emergency Act of 2010 (D.C. Act 18-694, January 19, 2011, 58 DCR 662).

For temporary (90 day) repeal of section, see § 2 of District Department of Transportation Omnibus Emergency Amendment Act of 2011 (D.C. Act 19-254, December 21, 2011, 58 DCR 11215).

**Legislative history of Law 13-172.** — Law 13-172, the “Fiscal Year 2001 Budget Support Act of 2000,” was introduced in Council and assigned Bill No. 13-679, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on May 15, 2000, and June 6, 2000, respectively. Signed by the Mayor on June 26, 2000, it was assigned Act No. 13-175 and transmitted to both Houses of Congress for its review. D.C. Law 13-172 became effective on October 19, 2000.

**Legislative history of Law 18-370.** — For history of Law 18-370, see notes under § 47-143.

**Editor’s notes.** — Section 629 of D.C. Law 18-370 provided: “Sec. 629. Applicability. This subtitle shall apply as of October 1, 2011; except, that sections 622 and 623(a)(2) shall apply as of the effective date of this act.”

## § 47-305.02. Minimum funding for Office of Public Education Facilities Modernization’s capital budgets to be included in budget and financial plan. [Repealed].

Repealed.

(June 8, 2006, D.C. Law 16-123, § 301(b), 53 DCR 2843; Sept. 18, 2007, D.C. Law 17-20, § 4042(b)(2), 54 DCR 7052; Mar. 3, 2010, D.C. Law 18-111, § 7061, 57 DCR 181; Sept. 14, 2011, D.C. Law 19-21, § 7012(a)(2), 58 DCR 6226.)

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 4042(b)(2) of Fiscal Year 2008 Budget Support Emergency Act of 2007 (D.C. Act 17-74, July 25, 2007, 54 DCR 7549).

For temporary (90 day) amendment of section, see § 7011 of Fiscal Year 2010 Budget

Support Emergency Act of 2009 (D.C. Act 18-187, August 26, 2009, 56 DCR 7374).

For temporary (90 day) amendment of section, see § 7061 of Fiscal Year 2010 Budget Support Second Emergency Act of 2009 (D.C. Act 18-207, October 15, 2009, 56 DCR 8234).

For temporary (90 day) amendment of section,



tion, see § 7061 of Fiscal Year Budget Support Congressional Review Emergency Amendment Act of 2009 (D.C. Act 18-260, January 4, 2010, 57 DCR 345).

For temporary (90 day) repeal of section, see § 7012(a)(2) of Fiscal Year 2012 Budget Support Emergency Act of 2011 (D.C. Act 19-93, June 29, 2011, 58 DCR 5599).

**Legislative history of Law 16-123.** — For Law 16-123, see notes following § 47-2033.

**Legislative history of Law 17-20.** — Law 17-20, the “Fiscal Year 2008 Budget Support Act of 2007”, was introduced in Council and assigned Bill No. 17-148 which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on May 15, 2007, and June 5, 2007, respectively. Signed by the Mayor on June 28, 2007, it was assigned Act No. 17-63 and transmitted to both Houses of Congress for its review. D.C. Law 17-20 became effective on September 18, 2007.

**Legislative history of Law 18-111.** — Law 18-111, the “Fiscal Year 2010 Budget Support Act of 2009”, was introduced in Council and assigned Bill No. 18-203, which was referred to the Committee on the Whole. The bill was

adopted on first and second readings on May 12, 2009, and September 22, 2009, respectively. Signed by the Mayor on December 18, 2009, it was assigned Act No. 18-255 and transmitted to both Houses of Congress for its review. D.C. Law 18-111 became effective on March 3, 2010.

**Legislative history of Law 19-21.** — Law 19-21, the “Fiscal Year 2012 Budget Support Act of 2011”, was introduced in Council and assigned Bill No. 19-203, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on May 25, 2011, and June 14, 2011, respectively. Signed by the Mayor on July 22, 2011, it was assigned Act No. 19-98 and transmitted to both Houses of Congress for its review. D.C. Law 19-21 became effective on September 14, 2011.

**Short title.** — Short title: Section 7060 of D.C. Law 18-111 provided that subtitle D of title VII of the act may be cited as the “School Modernization Financing Amendment Act of 2009”.

Short title: Section 7011 of D.C. Law 19-21 provided that subtitle B of title VII of the act may be cited as “Prior Fiscal Year Conforming Budget Amendments Act of 2011”.

## § 47-306. Submission and approval of gross planning budget.

Pursuant to §§ 1-204.48(a)(3) and 1-206.03(c) and (d), the Mayor shall annually, and prior to transmittal of the budget of the District to the President of the United States, submit to the Council a gross planning budget for the District, which shall include, but not be limited to, the amount of estimated revenue by source, including all sources, and the planned obligation of all revenue presented at responsibility center detail. The gross planning budget shall be approved by resolution of the Council.

(Sept. 16, 1980, D.C. Law 3-104, § 7, 27 DCR 3748; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-306.  
**Legislative history of Law 3-104.** — For

legislative history of D.C. Law 3-104, see Historical and Statutory Notes following § 47-381.

## § 47-307. Submission of control budget.

(a) Within 14 days of Congressional approval of the appropriated budget of the District, the Mayor shall submit to the Council an act to establish the control budget of the District, including all revenue sources, which shall be presented in responsibility center detail; provided, that nothing in this section may be construed as giving the Council the power to modify any action taken by the Congress in the appropriations act for the District.

(b) Prior to the obligation during the fiscal year of any grant funds awarded subsequent to the start of the fiscal year, the Mayor shall submit to the Council an act to establish such grant award as part of the control budget of the



District, and such grant award shall be submitted in responsibility center detail.

(Sept. 16, 1980, D.C. Law 3-104, § 8, 27 DCR 3748; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-307. legislative history of D.C. Law 3-104, see Historical and Statutory Notes following § 47-381.  
**Legislative history of Law 3-104.** — For

## § 47-308. Establishment of budget structure.

(a) Within 30 days of the Mayor's first call with respect to the preparation of the budget for fiscal year 1982, and any subsequent fiscal year, the Mayor shall submit to the Council a resolution to establish the budget structure, including but not limited to designating control centers and responsibility centers, and a designation of all those entities as they are proposed for financial management purposes within the gross planning budget.

(b) The Council shall consider such resolution according to its rules. Should no written notice of disapproval of such resolution be filed by any member of the Council with the Secretary to the Council within 14 days of the receipt of such resolution from the Mayor, the resolution shall be deemed to be approved. Should notice of disapproval be filed during such initial 14 day period, the Council shall dispose of such notice of disapproval within 30 days of the initial receipt of the resolution from the Mayor, or the resolution to establish the budget structure shall be deemed to be approved.

(c) No such resolution may be submitted to the Council during such time as the Council is on recess, according to its rules, nor shall any time period provided in this section continue to run during such time as the Council is on recess.

(d) If the Council disapproves such resolution, the Mayor may, on a clear showing of changed circumstance, new information, or additional administrative hardship, ask for a reconsideration of the previous action of the Council. The Council may in its discretion reconsider its previous action.

(Sept. 16, 1980, D.C. Law 3-104, § 9, 27 DCR 3748; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Mar. 25, 2009, D.C. Law 17-353, § 210, 56 DCR 1117.)

**Prior Codifications.** — 1981 Ed., § 47-308.

**Effect of amendments.** — D.C. Law 17-353, in subsec. (c), substituted "in recess" for "in process".

**Legislative history of Law 3-104.** — For legislative history of D.C. Law 3-104, see Historical and Statutory Notes following § 47-381.

**Legislative history of Law 17-353.** — Law 17-353, the "Technical Amendments Act of 2008", was introduced in Council and assigned Bill No. 17-994 which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on December 2, 2008,

and December 16, 2008, respectively. Signed by the Mayor on January 15, 2009, it was assigned Act No. 17-687 and transmitted to both Houses of Congress for its review. D.C. Law 17-353 became effective on March 25, 2009.

**Editor's notes.** — Annual budget structure approved: Pursuant to Resolution 7-210, the "Budget Structure for the Fiscal Year 1989 Budget Approval Resolution of 1988", effective February 2, 1988, the Council approved the proposed budget structure for the fiscal year ending September 30, 1989.

**§ 47-308.01. Performance-based budget.**

(a) For purposes of this section, the term:

(1) “Activity” means a component part of the District’s program structure comprised of a set of services grouped around a common purpose.

(2) “Operating agency” means any agency that receives budget authority through the District of Columbia’s annual appropriation.

(3) “Performance-based budget” means a budget presentation consisting of agency programs, estimated total program and activity costs, as well as full-time equivalents for the current and next fiscal year; agency strategic result goals; an overview describing the activities within each program; estimated program costs; and program performance measures.

(3A) “Relevant cost drivers” are the basic causes behind service delivery that can be utilized to reasonably predict the cost of a service based on its level of activity, which for 2008 shall be reported at the program level and for 2009 and beyond shall be reported at the activity level.

(3B) “Relevant performance measures” means metrics established by the Mayor, after consultation with Stakeholders before the beginning of each fiscal year, that establish expectations about:

(A) The results an agency will produce;

(B) The outputs or services the agency will produce;

(C) The demands for activities from the agency; and

(D) The efficiency with which the agency produces results, outputs, and services and meets the demands for activity by the agency.

(3C) “Stakeholders” are the customers of an agency that use the agency’s services or products and may include both government customers and persons or corporations that are resident in the District.

(4) “Service” means the deliverables or products that the customer receives. The lowest level in the District’s program structure, services are discrete units of governmental functions that together make up an activity.

(5) “Service-level budgets” means a budget by fund and object class for a service provided by the District listed at organizational level 4 in the financial system and at the service level in agency strategic business plans.

(b) Beginning with the District of Columbia’s Fiscal Year 2004 budget and financial plan, any agency that has converted to a performance-based budget shall continue presenting its budget in such format, unless the Chief Financial Officer considers it appropriate to present an agency’s budget in a different format.

(c) Beginning in Fiscal Year 2004 and continuing in subsequent fiscal years until all applicable agencies funded by the General Fund within the District of Columbia’s budget and financial plan are submitting performance-based budgets, the Mayor shall identify by executive order, no later than July 10, at least 15 additional agencies to submit performance-based budgets the following fiscal year. For the Fiscal Year 2006 budget and financial plan, the Mayor shall submit to the Council a performance-based budget for every operating agency in the District of Columbia, unless the Chief Financial Officer considers it inappropriate to do so.



(d) Beginning in fiscal year 2006 and phasing in through fiscal year 2009 by appropriation title beginning with Public Safety and Justice and Public Works in fiscal year 2006, Governmental Direction and Support in fiscal year 2007, Public Education Systems and Economic Development and Regulation in fiscal year 2008, and Human Support Services and all other remaining agencies in fiscal year 2009, the Chief Financial Officer shall provide service level budgets for any operating agency where services are a part of an activity that has a minimum threshold of \$5 million from the prior fiscal year's appropriation or provides services determined by the Mayor or the Council to be a priority for the District of Columbia. By no later than August 15 of each year, beginning in fiscal year 2006 and continuing in subsequent fiscal years, the Chief Financial Officer shall provide to the Mayor and the Council a list of service costs for activities that have a minimum threshold of \$10 million from the prior fiscal year's appropriation.

(e) Beginning in Fiscal Year 2005 and continuing in subsequent fiscal years, the Office of Budget and Planning, in consultation with the Office of the City Administrator, shall identify 25 critical programs to benchmark with comparable jurisdictions and shall include those benchmarks in the budget and financial plan.

(f) The Office of Budget and Planning shall review all agency program expenditures, including program definitions, estimated program costs, program performance measures, and agency benchmarks, which expenditures shall be included in the District of Columbia's budget and financial plan. For the Fiscal Year 2006 budget, no operating agency budget shall be forwarded to the Mayor for approval without the Office of Budget and Planning's determination that it is a performance-based budget, except those agencies for which the Chief Financial Officer considers such a budget to be inappropriate.

(g)(1) Each agency that has transitioned to the performance-based budget format shall submit a copy of its strategic business plan to the Council prior to January 31 of each year.

(2) The Office of the City Administrator, in conjunction with the Office of the Chief Financial Officer, shall make available, in electronic format, copies of agency strategic business plans to the public and shall display the strategic business plans on the District government's internet site.

(Oct. 3, 2001, D.C. Law 14-28, § 4502(b), 48 DCR 6981; Oct. 1, 2002, D.C. Law 14-190, § 202, 49 DCR 6968; Nov. 13, 2003, D.C. Law 15-39, § 1002, 50 DCR 5668; Dec. 7, 2004, D.C. Law 15-205, § 1032, 51 DCR 8441; Oct. 20, 2005, D.C. Law 16-33, § 1006(b), 52 DCR)

**Effect of amendments.** — D.C. Law 14-190 rewrote the section.

D.C. Law 15-39 rewrote the section.

D.C. Law 15-205 rewrote subsecs. (a) and (d).

D.C. Law 16-33, in subsec. (a), added pars. (3B), (3A), and (3C).

**Temporary Amendment of Section.** — Section 2 of D.C. Law 15-344, amending section 5903 of D.C. Law 15-205, substituted "operation" for "renovation".

**Temporary Repeal of Section.** — Section 4(b) of D.C. Law 15-344 provides that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) addition of section, see § 4102(b) of Fiscal Year 2002 Budget Support Emergency Act of 2001 (D.C. Act 14-124, August 3, 2001, 48 DCR 7861).

For temporary (90 day) amendment of sec-



tion, see § 202 of Fiscal Year 2003 Budget Support Emergency Act of 2002 (D.C. Act 14-453, July 23, 2002, 49 DCR 8026).

For temporary (90 day) amendment of section, see § 1002 of Fiscal Year 2004 Budget Support Emergency Act of 2003 (D.C. Act 15-105, June 20, 2003, 50 DCR 5613).

For temporary (90 day) amendment of section, see § 1002 of Fiscal Year 2004 Budget Support Congressional Review Emergency Act of 2003 (D.C. Act 15-149, September 22, 2003, 50 DCR 8360).

For temporary (90 day) amendment of section, see § 1032 of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) human support services fiscal year 2005 program performance provisions, see §§ 5902, 5903 of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) amendment of section, see § 1032 of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

For temporary (90 day) human support services fiscal year 2005 program performance provisions, see §§ 5902, 5903 of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

For temporary (90 day) amendment of section, see § 1006(b) of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

**Legislative history of Law 14-28.** — Law 14-28, the “Fiscal Year 2002 Budget Support Act of 2001”, was introduced in Council and assigned Bill No. 14-144, which was referred to the Committee Of the Whole. The Bill was adopted on first and second readings on May 1, 2001, and June 5, 2001, respectively. Signed by the Mayor on June 29, 2001, it was assigned Act No. 14-85 and transmitted to both Houses of Congress for its review. D.C. Law 14-28 became effective on October 3, 2001.

**Legislative history of Law 14-190.** — Law 14-190, the “Fiscal Year 2003 Budget Support Act of 2002”, was introduced in Council and assigned Bill No. 14-609, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on May 7, 2002, and June 4, 2002, respectively. Signed by the Mayor on July 3, 2002, it was assigned Act No. 14-403 and transmitted to both Houses of Congress for its review. D.C. Law 14-190 became effective on October 1, 2002.

**Legislative history of Law 15-39.** — Law 15-39, the “Fiscal Year 2004 Budget Support Act of 2003”, was introduced in Council and assigned Bill No. 15-218, which was referred to

Committee on Whole. The Bill was adopted on first and second readings on May 6, 2003, and June 3, 2003, respectively. Signed by the Mayor on June 20, 2003, it was assigned Act No. 15-106 and transmitted to both Houses of Congress for its review. D.C. Law 15-39 became effective on November 13, 2003.

**Legislative history of Law 15-205.** — Law 15-205, the “Fiscal Year 2005 Budget Support Act of 2004”, was introduced in Council and assigned Bill No. 15-768, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on May 14, 2004, and June 29, 2004, respectively. Signed by the Mayor on August 2, 2004, it was assigned Act No. 15-487 and transmitted to both Houses of Congress for its review. D.C. Law 15-205 became effective on December 7, 2004.

**Legislative history of Law 15-344.** — Law 15-344, the “Fiscal Year 2005 Southeast Veteran’s Access Housing, Inc., Budget Support Temporary Amendment Act of 2004”, was introduced in Council and assigned Bill No. 15-1172 and was retained by Council. The Bill was adopted on first and second readings on December 21, 2004, and January 4, 2005, respectively. Signed by the Mayor on January 19, 2005, it was assigned Act No. 15-762 and transmitted to both Houses of Congress for its review. D.C. Law 15-344 became effective on April 12, 2005.

**Legislative history of Law 16-33.** — Law 16-33, the “Fiscal Year 2006 Budget Support Act of 2005”, was introduced in Council and assigned Bill No. 16-200 which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on May 10, 2005, and June 21, 2005, respectively. Signed by the Mayor on July 26, 2005, it was assigned Act No. 16-166 and transmitted to both Houses of Congress for its review. D.C. Law 16-33 became effective on October 20, 2005.

**Short title.** — Short title of title II of Law 14-190: Section 201 of D.C. Law 14-190 provided that title II of the act may be cited as the Performance and Financial Accountability Act of 2002.

Short title of title X of Law 15-39: Section 1001 of D.C. Law 15-39 provided that title X of the act may be cited as the Performance and Financial Accountability Act of 2003.

Short title of subtitle D of title I of Law 15-205: Section 1031 of D.C. Law 15-205 provided that subtitle D of title I of the act may be cited as the Performance and Financial Accountability Amendment Act of 2004.

Short title of subtitle I of title V of Law 15-205: Section 5901 of D.C. Law 15-205 provided that subtitle I of title V of the act may be cited as the Human Support Services Fiscal Year 2005 Program Performance Requirements Act of 2004.

Short title of subtitle B of title I of Law 16-33: Section 1005 of D.C. Law 16-33 provided that subtitle B of title I of the act may be cited as the Performance-Based Budgeting Act of 2005.

**Editor's notes.** — Sections 5902 and 5903 of D.C. Law 15-205 provided:

"Sec. 5902. Department of Health fiscal year 2005 program performance requirements.

"For fiscal year 2005, the Department of Health shall:

"(1) Have sufficient local match available as needed to be spent so that no federal dollars are lost in programs including the Breast and Cervical Cancer Program, the Prostate Cancer Program, the Comprehensive Cancer Control Program, and the D.C. Cancer Registry;

"(2) Maintain fiscal year 2003 number of full-time employees, hours of operation, and services in the Sexually Transmitted Disease Control Program and the Tuberculosis Control Program; and

"(3) Allocate sufficient funds to the Department of Health, Health Regulation Administration to maintain the fiscal year 2003 funding level and number of inspector and surveyor full-time employees for the following divisions:

"(A) The Health Care Facilities Division;

"(B) Child and Residential Care Facilities Division; and

"(C) Intermediate Care Facilities Division.

"Sec. 5903. Department of Human Services Fiscal Year 2005 program performance requirements.

"For fiscal year 2005, the Department of Human Services shall use the \$250,000 that the Committee on Human Services directed from the Department of Mental Health's Strategic Management Service to the Department of Human Services' Family Services Administration for the Southeast Veteran's Access Housing, Inc., for the renovation of the men's shelter."

## § 47-308.02. Relevant performance measures.

(a) Each relevant performance measure must be linked to spending on the relevant activity.

(b) Each relevant performance measure shall represent a significant and realistic challenge for expected performance of the activity.

(c) Each agency shall have at least one relevant performance measure for each activity.

(d) Relevant performance measures for each fiscal year, shall be established by the Mayor or his designee, after consultation with the agency's stakeholders.

(e) Beginning with fiscal year 2007, and for each subsequent fiscal year, all relevant performance measures for the prior fiscal year shall be provided to the Council in January along with the performance accountability reports submitted pursuant to § 1-614.13, and beginning with fiscal year 2008, and for each following fiscal year, all relevant cost drivers shall be provided with the relevant performance measures in accordance with § 47-308.03(e).

(f) Beginning with fiscal year 2008, and for each subsequent fiscal year, the Mayor, or his designee, shall, in consultation with an agency's stakeholders, establish relevant performance measures and utilize these performance measures in the agency's strategic business plan.

(Oct. 20, 2005, D.C. Law 16-33, § 1006(c), 52 DCR 7503; Mar. 2, 2007, D.C. Law 16-191, § 5(a), 53 DCR 6794.)

**Effect of amendments.** — D.C. Law 16-191, in subsec. (e), substituted "§ 1-614.13" for "§ 1-614.13".

**Emergency legislation.** — For temporary (90 day) addition of section, see § 1006(c) of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Legislative history of Law 16-191.** — Law 16-191, the "Technical Amendments Act of 2006", was introduced in Council and assigned Bill No. 16-760, which was referred to the Committee of the whole. The Bill was adopted on first and second readings on June 20, 2006,



and July 11, 2006, respectively. Signed by the Mayor on July 31, 2006, it was assigned Act No. 16-475 and transmitted to both Houses of Con-

gress for its review. D.C. Law 16-191 became effective on March 2, 2007.

### § 47-308.03. Performance accountability reporting.

(a) By September 30, 2005, the Mayor shall ensure that each agency engaged in Performance Based Budgeting shall meet with its stakeholders to review and update its current relevant performance measures.

(b) By September 30, 2006, and each subsequent year, the Mayor shall ensure that for the following fiscal year each agency activity has at least one relevant performance measure and per program one relevant cost driver.

(c)(1) No later than January 15th of each year, the Mayor shall submit to the Council a performance accountability report that includes the evaluation of each agency's performance on its activities for the preceding fiscal year and includes all relevant performance measures, as determined in accordance with subsections (a) or (b) of this section, whichever is applicable.

(2) The report shall provide quantitative or qualitative results for the relevant performance measures, where available, accompanied by an analysis of the results achieved.

(d) Beginning with the District of Columbia's fiscal year 2007 budget and financial plan and continuing in subsequent fiscal years, the Mayor, in consultation with the Chief Financial Officer, shall provide for each agency under performance-based budgeting or funded by O-type funds, relevant performance measures that comply with subsection (c) of this section for Council review within 180 days of the beginning of the fiscal year.

(e) For fiscal year 2007, and each subsequent fiscal year, each independent and executive agency shall have at least one relevant performance measure for each activity reported in the budget and financial plan. Beginning with fiscal year 2008, each independent and executive agency shall have at least one relevant cost driver reported in the budget and financial plan, which for 2008 shall be reported at the program level and for 2009 and beyond shall be reported at the activity level.

(f) For each fiscal year, the Mayor shall:

(1) Submit a copy of the measures developed pursuant to subsection (a) of this section to the Council for review for informational purposes no later than May 31st indicating each relevant performance measure published in the Budget and Financial Plan that was not used to evaluate agency directors for bonuses; and

(2) Publish in the Budget and Financial Plan, at least one relevant performance measure for each agency activity, including a summary explanation of why the measures assist in holding the agency's management accountable for their use of public funds.

(Oct. 20, 2005, D.C. Law 16-33, § 1006(c), 52 DCR 7503.)

**Emergency legislation.** — For temporary (90 day) addition of section, see § 1006(c) of Fiscal Year 2006 Budget Support Emergency

Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).



**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

## § 47-309. Borrowing of funds by Mayor.

The Mayor is authorized to borrow funds from the United States Treasury in anticipation of the collection or receipt of revenues; provided, that each such borrowing is approved by the Council in advance of such borrowing by resolution.

(Sept. 16, 1980, D.C. Law 3-104, § 10, 27 DCR 3748; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-309. legislative history of D.C. Law 3-104, see Historical and Statutory Notes following § 47-381.  
**Legislative history of Law 3-104.** — For

## § 47-310. [Reserved].

### § 47-310.01. Financial Reports by Mayor.

(a) *Submission of quarterly financial reports.* — Not later than fifteen days after the end of every calendar quarter (beginning October 1, 1994), the Mayor shall submit to the Committee on the District of Columbia of the House of Representatives, the Committee on Governmental Affairs of the Senate, and the Subcommittees on District of Columbia Appropriations of the House of Representatives and the Senate a report on the financial and budgetary status of the government of the District of Columbia for the previous quarter.

(b) *Contents of report.* — Each report submitted under subsection (a) of this section with respect to a quarter shall include the following information:

(1) A comparison of actual to forecasted cash receipts and disbursements for each month of that quarter, as presented in the District's fiscal year consolidated cash forecast which shall be supported and accompanied by cash forecasts for the general fund and each of the District government's other funds other than the capital projects fund and trust and agency funds;

(2) A projection of the remaining months' cash forecast for that fiscal year;

(3) Explanations of (A) the differences between actual and forecasted cash amounts for each of the months in the quarter, and (B) the changes in the remaining months' forecast as compared to the original forecast for those months of that fiscal year;

(4) The effect of these changes, actual and projected, on the total cash balance of the remaining months and for the fiscal year;

(5) Explanations of the impact on meeting the budget, how the results may be reflected in a supplemental budget request, or how other policy decisions may be necessary which may require the agencies to reduce expenditures in other areas; and

(6) An aging of the outstanding receivables and payables, with an explanation of how they are reflected in the forecast of cash receipts and disbursements.

(c) *Reporting on nonappropriated funds.* — Not later than the date on which the Mayor issues the Comprehensive Annual Financial Report of the District

of Columbia for the fiscal year ended September 30, 1994, the Mayor shall submit to the Committees on Appropriations of the House of Representatives and the Senate, the Committee on the District of Columbia of the House of Representatives, and the Committee on Governmental Affairs on the Senate a report on all revenues and expenditures of the general fund of the District that are characterized as nonappropriated in the Comprehensive Annual Financial Report. The report required by this subsection shall include the following information for each category of nonappropriated funds:

- (1) The source of revenues;
- (2) The object of the expenditures;
- (3) An aging of outstanding accounts receivable and accounts payable;
- (4) The statutory or other legal authority under which such category of funds may be expended without having been appropriated as part of the District's annual budget and appropriations process;
- (5) The date when such category of funds was first expended on a nonappropriated basis;
- (6) The policy or rationale for why the revenues and expenditures of such funds should not be part of the District's annual budget and appropriations process; and
- (7) A reconciliation of the amounts reported under this subsection with the amounts characterized as nonappropriated in the Comprehensive Annual Financial Report.

(Sept. 30, 1994, 108 Stat. 2589, Pub. L. 103-334, § 137; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-310.1.

**Temporary Amendment of Section.** — Section 2 of D.C. Law 18-234, in subsec. (a), substituted “the Mayor shall submit to the Council of the District of Columbia,” for “the Mayor shall submit to”.

Section 4(b) of D.C. Law 18-234 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2 of Quarterly Financial and Budgetary Status Reporting Emergency Act of 2010 (D.C. Act 18-465, July 6, 2010, 57 DCR 6910).

For temporary (90 day) amendment of section, see § 2 of Quarterly Financial and Budgetary Status Reporting Congressional Review Emergency Amendment Act of 2010 (D.C. Act 18-538, October 5, 2010, 57 DCR 9608).

## § 47-310.02. Schedule and notice requirement for completion of Comprehensive Annual Financial Report.

Each year in connection with preparation of the February 1 financial statement and report for the preceding fiscal year required under § 47-310(a)(4), the Chief Financial Officer shall prepare an audit plan which establishes a schedule of tasks that must be completed to meet the February 1 submission deadline. The schedule shall be transmitted to the Council and the Office of the Inspector General in writing annually before August 16. If a task is not completed when scheduled, the Chief Financial Officer shall notify the Council and the Office of the Inspector General and provide a written explanation for the failure to complete the task, within 5 calendar days of the scheduled date.



(Apr. 3, 2001, D.C. Law 13-253, § 2(b), 48 DCR 678.)

**Legislative history of Law 13-253.** — Law 13-253, the “Comprehensive Annual Financial Report Scheduling and Notice Requirement Act of 2000”, was introduced in Council and assigned Bill No. 13-581, which was referred to the Committee Finance and Revenue. The Bill was adopted on first and second readings on

November 8, 2000, and December 5, 2000, respectively. Signed by the Mayor on December 21, 2000, it was assigned Act No. 13-540 and transmitted to both Houses of Congress for its review. D.C. Law 13-253 became effective on April 3, 2001.

## § 47-311. Estimate of expenditures by Mayor.

The Mayor shall, within 10 days of receipt of a request of the chairperson of a Council committee (excluding Saturdays, Sundays and legal holidays), estimate the cost of all expenditures to be incurred by the District of Columbia government under permanent legislation to be adopted by the Council. Within 30 days of the effective date of this section, the Mayor shall adopt standards by which to make such determinations and shall submit such standards to the Council for its disapproval in whole or in part within 30 days of receipt.

(Sept. 13, 1980, D.C. Law 3-92, § 703, 27 DCR 3390; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-311.

**Legislative history of Law 3-92.** — Law 3-92, the “District of Columbia Revenue Act of 1980,” was introduced in Council and assigned Bill No. 3-285, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 17, 1980 and July 1, 1980, respectively. Signed by the Mayor on July 9, 1980, it was assigned Act No. 3-214 and transmitted to both Houses of Congress for its review.

**Mayor’s Orders.** — Mayor’s Advisory Committee on Finance and Taxes established: See Mayor’s Order 88-59, March 15, 1988.

Finances and Taxes Advisory Committee abolished: The Finances and Taxes Advisory Committee, established by Mayor’s Order 92-1, January 6, 1992, was abolished by § 401(o) of D.C. Law 12-86.

## §§ 47-312, 47-313. [Reserved].

## § 47-313.01. Source of payment for employees detailed within government.

For purposes of determining the amount of funds expended by any entity within the District of Columbia government during fiscal year 1998 and each succeeding fiscal year, any expenditures of the District government attributable to any officer or employee of the District government who provides services which are within the authority and jurisdiction of the entity (including any portion of the compensation paid to the officer or employee attributable to the time spent in providing such services) shall be treated as expenditures made from the entity’s budget, without regard to whether the officer or employee is assigned to the entity or otherwise treated as an officer or employee of the entity.

(Nov. 19, 1997, 111 Stat. 2181, Pub. L. 105-100, § 150(b).)



**Prior Codifications.** — 1981 Ed., § 47-313.1.

**§§ 47-314 to 47-317. Office of Financial Management established; duties and responsibilities of Assistant City Administrator for Financial Management and Treasurer; transfer of powers, duties and functions to Treasurer; transfer of resources to Office. [Repealed].**

Repealed.

(Repealed effective October 27, 1995. April 17, 1995, 109 Stat. 97, Pub. L. 104-8, § 302(c).)

**Prior Codifications.** — 1981 Ed., §§ 47-314 to 47-317.

**Legislative history of Law 3-138.** — Law 3-138, the “Financial Management Responsibility Act of 1980,” was introduced in Council and assigned Bill No. 3-303 which was referred to the Committee on Government Operation and the Committee on Finance and Revenue. The Bill was adopted on first and second readings on July 29, 1980 and September 16, 1980, respectively. Signed by the Mayor on October 2, 1980, it was assigned Act No. 3-259 and transmitted to both Houses of Congress for its review.

**Mayor’s Orders.** — Deputy Mayor for Office of Financial Management established: See Mayor’s Order 83-19, January 3, 1983.

Establishment of Office of District of Colum-

bia Controller: See Mayor’s Order 89-243, October 23, 1989.

Establishment of Office of Treasurer: See Mayor’s Order 89-244, October 23, 1989.

Establishment of Office of Financial Information Services: See Mayor’s Order 89-245, October 23, 1989.

**Editor’s notes.** — Repeal of §§ 47-314 through 47-317: Section 302(c) of Pub. L. 104-8, 109 Stat. 148, April 17, 1995, provided that effective upon the appointment of the Chief Financial Officer of the District of Columbia under § 1-204.24a, D.C. Law 3-138 which enacted §§ 47-314 through 47-317 are repealed. Upon the appointment of a Chief Financial Officer of the District of Columbia pursuant to Mayor’s Order 95-124, effective October 27, 1995, §§ 47-314 through 47-317 were repealed.

*Subchapter I-A. Chief Financial Officer of the District of Columbia.*

**§§ 47-317.01 to 47-317.03. [Reserved].**

**§ 47-317.03a. Chief Financial Officer — Powers during control periods.**

(a) Notwithstanding any other provision of law, during any control period in effect under part B of subchapter VII of this chapter the following shall apply:

(1) The heads and all personnel of the following offices, together with all other District of Columbia accounting, budget, and financial management personnel (including personnel of independent agencies but not including personnel of the legislative and judicial branches of the District government), shall be appointed by, shall serve at the pleasure of, and shall act under the direction and control of the Chief Financial Officer:

- (A) The Office of the Treasurer;
- (B) The Controller of the District of Columbia;

(C) The Office of the Budget;

(D) The Office of Financial Information Services; and

(E) The Department of Finance and Revenue. The District of Columbia Financial Responsibility and Management assistance Authority established pursuant to § 47-391.01, may remove such individuals from office for cause, after consultation with the Mayor and the Chief Financial Officer.

(2) The Chief Financial Officer shall prepare and submit to the Mayor, for inclusion in the annual budget of the District of Columbia under part D of title IV of the District of Columbia Home Rule Act of 1973, approved December 24, 1973 (87 Stat. 774; Public Law 93-198) [§§ 1-204.41 through 1-204.56e], as amended, for each fiscal year occurring during a control period in effect under part B of subchapter VII of this chapter, annual estimates of the expenditures and appropriations necessary for the operation of the Office of the Chief Financial Officer for the year. All such estimates shall be forwarded by the Mayor to the Council of the District of Columbia for its action pursuant to §§ 1-204.46 and 1-206.03(c), without revision but subject to recommendations. Notwithstanding any other provisions of the District of Columbia Home Rule Act, Public Law 93-198, approved December 24, 1973 [Chapter 2 of Title 1, D.C. Official Code], the Council may comment or make recommendations concerning such estimates, but shall have no authority to revise such estimates.

(Sept. 9, 1996, 110 Stat. 2375, Pub. L. 104-194, § 142; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-317.3a.

**References in text.** — “Part D of title IV of the District of Columbia Home Rule Act,” referred to in (a)(2), is Part D of title IV of the Act of December 24, 1973, 87 Stat. 774, Pub. L. 93-198 which is composed of §§ 441 through 456 of the act.

Pursuant to the Office of the Chief Financial Officer’s “Notice of Public Interest” published in the April 18, 1997, issue of the District of Columbia Register (44 DCR 2345) the Office of Tax and Revenue assumed all of the duties and functions previously performed by the Department of Finance and Revenue, as set forth in Commissioner’s Order 69-96, dated March 7, 1969. This action was made effective January 22, 1997, *nunc pro tunc*.

**Editor’s notes.** — Powers of Chief Financial Officer for Fiscal Years ending September 30, 1996 and September 30, 1997: Section 152 of Pub. L. 104-134, 110 Stat. 1321 220, provided that “Notwithstanding any other provision of law, for the fiscal years ending September 30, 1996 and September 30, 1997 —

“(a) the heads and all personnel of the following offices, together with all other District of Columbia executive branch accounting, budget, and financial management personnel, shall be approved by, and shall serve at the pleasure of,

and shall act under the direction and control of the Chief Financial Officer:

“The Office of the Treasurer.

“The Controller of the District of Columbia.

“The Office of the Budget.

“The Office of Financial Information Services.

“The Department of Finance and Revenue.

“The District of Columbia Financial Responsibility Management Assistance Authority established pursuant to Public Law 104-8, approved April 17, 1995, may remove such individuals from office for cause, after consultation with the Mayor and the Chief Financial Officer.

“(b) The Chief Financial Officer shall prepare and submit to the Mayor, for inclusion in the annual budget of the District of Columbia under part D of title IV of the District of Columbia Self-Government and Governmental Reorganization Act of 1993, approved December 24, 1973 (87 Stat. 774; Public Law 93-198), as amended, for fiscal years 1996, 1997 and 1998, annual estimates of the expenditures and appropriations necessary for the operation of the Office of the Chief Financial Officer for the year. All such estimates shall be forwarded by the Mayor to the Council of the District of Columbia for its action pursuant to sections 446 and 603(c) of such Act, without revision but subject to recom-



mendations. Notwithstanding any other provisions of such Act, the Council may comment or make recommendations concerning such estimates, but shall have no authority to revise such estimates.”

For District of Columbia Home Rule Act provisions, see §§ 1-204.24a through 1-204.24f.

§ 47-317.04. [Reserved].

§ 47-317.04a. Chief Financial Officer — Authorization to privatize tax administration and collection.

The Chief Financial Officer of the District of Columbia may enter into contracts with a private entity for the administration and collection of taxes of the District of Columbia.

(Aug. 5, 1997, 111 Stat. 764, Pub. L. 105-33, § 11302.)

**Prior Codifications.** — 1981 Ed., § 47-317.4a.

**Effective date.** — Section 11721 of Title XI of Pub. L. 105-33, 111 Stat. 786, the National Capital Revitalization and Self-Government Improvement Act of 1997, provided that except as otherwise provided in this title, the provisions of this title shall take effect on the later of October 1, 1997, or the day the District of

Columbia Financial Responsibility and Management Assistance Authority certifies that the financial plan and budget for the District government for fiscal year 1998 meet the requirements of section 201(c)(1) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995, as amended by this title.

§§ 47-317.05, 47-317.06. [Reserved].

§ 47-317.07. SHARE Data Center.

Notwithstanding any other law, all positions, personnel, property, records, and the functions of the Office of Financial Information Services for the SHARE data center are assigned, and authority delegated, to the Office of the Chief Technology Officer.

(Oct. 19, 2000, D.C. Law 13-172, § 2102, 47 DCR 6308.)

**Emergency legislation.** — For temporary (90-day) addition of section, see § 2102 of the Fiscal Year 2001 Budget Support Emergency Act of 2000 (D.C. Act 13-376, July 24, 2000, 47 DCR 6574).

For temporary (90 day) amendment of sec-

tion, see § 2102 of the Fiscal Year 2001 Budget Support Congressional Review Emergency Act of 2000 (D.C. Act 13-438, October 20, 2000, 47 DCR 8740).

**Legislative history of Law 13-172.** — For Law 13-172, see notes following § 47-305.01.

§ 47-317.08. Compliance and Real Property Tax Administration Fund. [Repealed].

Repealed.

(Oct. 20, 2005, D.C. Law 16-33, § 1072(b), 52 DCR 7503; Sept. 14, 2011, D.C. Law 19-21, § 9015, 58 DCR 6226.)



**Emergency legislation.** — For temporary (90 day) addition of section, see § 1072(b) of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Legislative history of Law 19-21.** — For Law 19-21, see notes following § 47-305.02.

**Short title.** — Short title of subtitle N of title I of Law 16-33: Section 1071 of D.C. Law 16-33 provided that subtitle M of title I of the act may be cited as the Establishment of Compliance and Real Property Tax Administration Fund Act of 2005.

### *Subchapter I-B. Financial Accountability and Management.*

## **§ 47-318. Definitions.**

For the purposes of this subchapter, the term:

(1) “Budget gap” means the difference between estimated expenditures and estimated revenues.

(2) “Budget modification” means a reexamination of all major elements of the current year budget, and shall contain for the current year budget all elements of the multiyear plan listed in paragraph (4) of this section.

(3) “Gap-closing action” means any action designed to eliminate the budget gap. Gap-closing actions include increases in current revenue bases and rates; new taxes, fees, charges, fines, and penalties; expenditure reductions associated with lower service levels; and productivity improvements that yield expenditure reductions without a decrease in service levels. Gap-closing actions must be proposed in the fiscal year prior to their implementation.

(4) “Multiyear plan” means the costs and funding of services in the District over a 4-year period and shall be based on the actual experience of the immediately preceding 3 fiscal years, on the approved current fiscal year budget, and on estimates for at least the 4 succeeding fiscal years. Pursuant to § 1-204.43, the multiyear plan shall include provisions identifying:

(A) Future cost implications of maintaining programs at currently authorized levels, including anticipated changes in wage, salary, and benefit levels;

(B) Future cost implications of all capital projects for which funds have already been authorized, including identification of the amount of already appropriated but unexpended capital project funds;

(C) Future cost implications of new, improved, or expanded programs and capital project commitments proposed for each of the succeeding 4 fiscal years;

(D) The effects of current and proposed capital projects on future operating budget requirements;

(E) Revenues and funds likely to be available from existing revenue sources at current rates or levels;

(F) The specific revenue and tax measures recommended for the forthcoming fiscal year and for the next following fiscal year necessary to balance revenues and expenditures;

(G) The actuarial status and anticipated costs and revenues of retirement systems covering District employees; and

(H) Total debt service payments in each fiscal year in which debt service payments must be made for all bonds which have been or will be issued, and all loans from the United States Treasury which have been or will be received, to finance the total cost on a full funding basis of all projects listed in the capital improvements plan prepared under § 1-204.44; and for each such fiscal year, the percentage relationship of the total debt service payments (with payments for issued and proposed bonds and loans from the United States Treasury, received or proposed, separately identified) to the bonding limitation for the current and forthcoming fiscal year as specified in § 1-206.03(b).

(5) "Multiyear plan modification" means a reexamination of all major elements of the multiyear plan, and shall contain all elements of the multiyear plan listed in paragraph (4) of this section.

(6) "Tax expenditures" means the revenue losses attributable to provisions of federal law and the laws of the District of Columbia that allow, in whole or in part, a special exclusion, exemption, or deduction from taxes authorized in this title, or which provide a special credit, a preferential rate of tax, or a deferral of tax liability.

(Nov. 25, 1993, D.C. Law 10-64, § 2, 40 DCR 7347; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; October 4, 2000, D.C. Law 13-161, 2(a), 47 DCR 5805.)

**Prior Codifications.** — 1981 Ed., § 47-318.

**Effect of amendments.** — D.C. Law 13-161 added par. (6).

**Emergency legislation.** — For temporary amendment of section, see § 2 of the Financial Accountability and Management Act Budget Submission Date Emergency Amendment Act of 1995 (D.C. Act 11-15, February 28, 1995, 42 DCR 1166).

**Legislative history of Law 10-64.** — Law 10-64, the "Financial Accountability and Management Act of 1993," was introduced in Council and assigned Bill No. 10-117, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on July 21, 1993, and September 21, 1993, respectively. Signed by the Mayor on October 6,

1993, it was assigned Act No. 10-119 and transmitted to both Houses of Congress for its review. D.C. Law 10-64 became effective on November 25, 1993.

**Legislative history of Law 13-161.** — Law 13-161, the "Tax Expenditure Budget Review Act of 2000," was introduced in Council and assigned Bill No. 13-471, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on May 3, 2000, and June 6, 2000, respectively. Signed by the Mayor on June 22, 2000, it was assigned Act No. 13-360 and transmitted to both Houses of Congress for its review. D.C. Law 13-161 became effective on October 4, 2000.

## § 47-318.01. Mayoral budget submissions required; accounting of expenditures.

(a) In the annual budget submission, the Mayor shall provide the Council with an agency-by-agency accounting of expenditures for all years of the multiyear plan and multiyear plan modifications submitted with the Mayor's annual budget and budget modifications. This accounting shall be of agency expenditures at the agency level, with such additional detail as the Council may request.

(b) Pursuant to §§ 1-204.42 and 1-204.43, the Chief Financial Officer shall prepare, on a biennial basis, and the Mayor shall include in the budget submission to the Council, a tax expenditure budget that estimates the revenue loss to the District government from each tax expenditure for the



current fiscal year and the next 2 fiscal years. The Chief Financial Officer shall present the first tax expenditure budget for inclusion in the fiscal year 2003 budget submission to the Council, but shall also prepare for inclusion in the fiscal year 2002 budget submission a pilot tax expenditure budget that includes the tax expenditures for which, in the judgment of the Chief Financial Officer, there is sufficient information to estimate the revenue loss. Beginning with the fiscal year 2003 budget submission, the tax expenditure budget shall include the following information:

- (1) An estimate of the annual revenue loss to the District government from each tax expenditure;
- (2) A citation of the statutory authority for each tax expenditure;
- (3) A description of the objective of the tax expenditure;
- (4) An analysis of whether the tax expenditure is meeting the objective;
- (5) An analysis of the tax expenditure's effect on the distribution of the tax burden and the administration of the tax system; and
- (6) Other factors that the Chief Financial Officer may consider appropriate.

(Nov. 25, 1993, D.C. Law 10-64, § 3, 40 DCR 7347; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; October 4, 2000, D.C. Law 13-161, 2(b), 47 DCR 5805.)

**Prior Codifications.** — 1981 Ed., § 47-318.1.

**Effect of amendments.** — D.C. Law 13-161 designated the existing text as subsec. (a), and added subsec. (b).

**Emergency legislation.** — For temporary (90 day) Fiscal Year 2005 budget submission requirement, see § 1202 of Fiscal Year 2004 Budget Support Amendment Act of 2003 (D.C. Act 15-105, June 20, 2003, 50 DCR 5613).

For temporary (90 day) Fiscal Year 2005 budget submission requirement, see § 1202 of Fiscal Year 2004 Budget Support Congressional Review Emergency Act of 2003 (D.C. Act 15-149, September 22, 2003, 50 DCR 8360).

For temporary (90 day) amendment of section, see § 1042(a) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) amendment of section, see § 1042(a) of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

For temporary (90 day) amendment of D.C. Law 15-205, see § 1002 of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

**Legislative history of Law 10-64.** — For legislative history of D.C. Law 10-64, see Historical and Statutory Notes following § 47-318.

**Legislative history of Law 13-161.** — For Law 13-161, see notes following § 47-318.

**Legislative history of Law 15-39.** — For Law 15-39, see notes following § 47-308.01.

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-308.01.

**Short title.** — Short title of title XII of Law 15-39: Section 1201 of D.C. Law 15-39 provided that title XII of the act may be cited as the Fiscal Year 2005 Budget Submission Act of 2003.

Short title of subtitle A of title I of Law 16-33: Section 1001 of D.C. Law 16-33 provided that subtitle A of title I of the act may be cited as the Fiscal Year 2006 Budget Submission Amendment Act of 2005.

**Editor's notes.** — Section 1202 of D.C. Law 15-39 provided:

"(a) For fiscal year 2005, the Mayor shall submit a budget to the Council that increases local funds spending by no more than 3.5% of the fiscal year 2004 budget approved by the Council. Any spending transferred from local funds in fiscal year 2004 to non-local funds in Fiscal year 2005 shall be included in any calculation to determine whether the proposed spending for fiscal year 2005 is more than 3.5% greater than local spending in fiscal year 2004.

"(b) By July 1, 2003, the Chief Financial Officer and the Mayor shall identify by contract or subagency, the areas where contract savings identified by the Fiscal Year 2004 Budget Request Act, passed on May 6, 2003 (Enrolled version of Bill 15-214) shall occur and submit the information to Council.

"(c) The budget submission pursuant to subsection (a) of this section shall provide that not less than ½ of the personnel costs for Public



Safety Communications Center services in fiscal year 2004 shall instead be paid by local funds in fiscal year

Section 1042(a) of D.C. Law 15-205, as amended by section 1002 of D.C. Law 16-33, provided:

“(a) Beginning with the submission of the fiscal year 2006 budget, the Mayor shall submit a budget to the Council that is segmented and distinctly identifies:

“(1) That portion of the budget submission in which local funds are consistent with the amount projected in spending for the previous fiscal year by the Council in its Committee of

the Whole Report on the Budget Request Act; provided, that the amounts included in the Committee of the Whole Report are to be revised to incorporate supplemental budget actions approved by the District during the course of any fiscal year; provided further, that the revised projections are certified by the Office of the Chief Financial Officer; and

“(2) Any additional proposed budget expenditures not included in paragraph (1) of this subsection that are supported by the revenue and resources certified as available by the Office of the Chief Financial Officer.”

## § 47-318.01a. Mayoral budget submission required; consistency of budget submission with previous fiscal year spending.

For each fiscal year, the Mayor shall submit a budget to the Council of which the local funds shall be consistent with the amount projected in spending for the previous fiscal year by the Council in the Council Committee of the Whole report on the Budget Request Act.

(Mar. 2, 2007, D.C. Law 16-191, § 72, 53 DCR 6794; Mar. 25, 2009, D.C. Law 17-353, § 131(b), 56 DCR 1117.)

**Effect of amendments.** — D.C. Law 17-353 validated a previously made technical correction in the section designation.

**Legislative history of Law 16-191.** — Law 16-191, the “Technical Amendments Act of 2006”, was introduced in Council and assigned Bill No. 16-760, which was referred to the Committee of the whole. The Bill was adopted on first and second readings on June 20, 2006, and July 11, 2006, respectively. Signed by the Mayor on July 31, 2006, it was assigned Act No. 16-475 and transmitted to both Houses of Congress for its review. D.C. Law 16-191 became effective on March 2, 2007.

**Legislative history of Law 17-353.** — For Law 17-353, see notes following § 3-308.

**Short title.** — Short title of subtitle E of title I of Law 15-205: Section 1041 of D.C. Law 15-205 provided that subtitle E of title I of the act may be cited as the Fiscal Year 2006 Budget Submission Act of 2004.

**Editor’s notes.** — Section 1042(a) of D.C. Law 15-205 provided: “For each fiscal year, the Mayor shall submit a budget to the Council of which the local funds shall be consistent with the amount projected in spending for the previous fiscal year by the Council in the Council Committee of the Whole report on the Budget Request Act.”

## § 47-318.01b. Legislative branch budget submission.

(a) At least 20 days prior to the Mayor’s submission of the annual budget to the Council, the Chairman of the Council shall transmit to the Mayor an estimate in detail of the amount of money required for the:

(1) Council;

(2) Office of the District of Columbia Auditor; and

(3) Office of the Advisory Neighborhood Commissions for the ensuing fiscal year.

(b) The Mayor shall transmit the same estimate required by subsection (a) of this section in his annual estimate of appropriations for the District of Columbia, with such recommendations as he may consider proper.

(Mar. 3, 2010, D.C. Law 18-111, § 1081(b), 57 DCR 181.)

**Emergency legislation.** — For temporary (90 day) addition, see § 1081(b) of Fiscal Year 2010 Budget Support Second Emergency Act of 2009 (D.C. Act 18-207, October 15, 2009, 56 DCR 8234).

For temporary (90 day) addition, see § 1081(b) of Fiscal Year Budget Support Congressional Review Emergency Amendment Act

of 2009 (D.C. Act 18-260, January 4, 2010, 57 DCR 345).

**Legislative history of Law 18-111.** — For Law 18-111, see notes following § 47-305.02.

**Short title.** — Short title: Section 1080 of D.C. Law 18-111 provided that subtitle I of title I of the act may be cited as the “Legislative Branch Budget Submission Act of 2009”.

## § 47-318.02. Mayoral budget submissions required; accounting of expenditures — Budget request and multiyear plan.

(a) The Mayor shall provide the Council with both a budget request and a multiyear plan no earlier than February 1 and no later than February 8 of each calendar year commencing with 1994.

(b) The Mayor shall provide the Council with both a budget modification and a multiyear plan modification 3 times each fiscal year: the first set no earlier than June 1 and no later than June 15, the second set no earlier than November 8 and no later than November 15, and the third set no earlier than February 1 and no later than February 8.

(c) The Council shall adopt each of the budget and multiyear plan modifications no more than 28 days after official submission to the Council. Any modification on which the Council does not act within 28 days shall be deemed approved.

(d) Notwithstanding subsection (b) of this section, for fiscal year 1994, the Mayor shall provide the Council with the first budget modification and first multiyear plan no earlier than November 8 and no later than November 15.

(Nov. 25, 1993, D.C. Law 10-64, § 4, 40 DCR 7347; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-318.2.

**Legislative history of Law 10-64.** — For

legislative history of D.C. Law 10-64, see Historical and Statutory Notes following § 47-318.

## § 47-318.03. Mayoral budget submissions required; accounting of expenditures — Gap-closing actions.

(a) In the annual budget request, the Mayor shall provide the Council with all gap-closing actions for the upcoming fiscal year budget. Gap-closing actions include increases in current revenue bases and rates; new taxes, fees, charges, fines, forfeitures, and penalties; expenditure reductions associated with lower service levels; and productivity improvements that yield expenditure reductions without a decrease in service levels.

(b) If the Council rejects gap-closing actions of the Mayor either in the annual budget request or any budget modification, it must substitute 1 or more



of its own gap-closing actions to make up the amount of the rejected gap-closing actions.

(c) Within 30 days after the end of each month, the Mayor shall provide the Council with a progress report on those gap-closing actions that the Council designates for monitoring.

(d) The Mayor or Mayor's designee(s) shall appear before a hearing of the Committee of the Whole every 2 months to respond to questions regarding gap-closing actions.

(e) The Mayor shall replace, in the Mayor's budget modification submission, any gap-closing actions that the Council determines to be in serious danger of failure with gap-closing actions more likely to occur. However, the Mayor may not replace gap-closing actions approved by the Council in any budget adoption process merely because the Mayor does not support such actions.

(f) If the Mayor determines that the budget gap has increased from the submission of the Mayor's budget request to the submission of the first budget modification, or from the submission of 1 budget modification to the submission of another, the Mayor must increase the aggregate dollar value of the gap-closing actions to cover the difference. If the Mayor determines that the budget gap has decreased from the submission of the Mayor's budget request to the submission of the first budget modification, or from the submission of 1 budget modification to the submission of another, the Mayor may decrease the aggregate dollar value of the gap-closing actions to eliminate the difference.

(Nov. 25, 1993, D.C. Law 10-64, § 5, 40 DCR 7347; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-318.3.

legislative history of D.C. Law 10-64, see Historical and Statutory Notes following § 47-318.

**Legislative history of Law 10-64.** — For

#### **§ 47-318.04. Mayoral budget submissions required; accounting of expenditures — Deadline for gap-closing submission.**

The Mayor shall submit to the Council, no later than October 8, 1993, all explicit actions necessary to close the FY 1994 budget gap previously identified by the Mayor, as well as the dollar value of each action.

(Nov. 25, 1993, D.C. Law 10-64, § 6, 40 DCR 7347; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-318.4.

legislative history of D.C. Law 10-64, see Historical and Statutory Notes following § 47-318.

**Legislative history of Law 10-64.** — For

#### **§ 47-318.05. Mayoral budget submissions required; accounting of expenditures — Cash flow statements.**

The Mayor shall submit to the Council, beginning October 1, 1993, and every



month thereafter, monthly consolidated cash flow statements in the same format as currently prepared by the Office of the D.C. Treasurer, except that the statement submitted to the Council shall contain an explanation of all changes in cash flows that have occurred since the previous month's report.

(Nov. 25, 1993, D.C. Law 10-64, § 7, 40 DCR 7347; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-318.5. legislative history of D.C. Law 10-64, see Historical and Statutory Notes following § 47-318.

**Legislative history of Law 10-64.** — For

### § 47-318.05a. Budget submissions required; agency enhancement requests.

The Mayor and the Chief Financial Officer shall supplement all proposed budgets submitted pursuant to § 1-204.42, and related budget documents required by §§ 1-204.42, 1-204.43, and 1-204.44, by submitting to the Council simultaneously with the proposed budget submission:

(1) Actual copies, not summaries, of all agency budget enhancement requests, including the "Form B" for all District agencies; and

(2) Any similar documentation describing in detail agencies' budget needs or requests.

(Aug. 16, 2008, D.C. Law 17-219, § 1011(b), 55 DCR 7598.)

**Legislative history of Law 17-219.** — Law 17-219, the "Fiscal Year 2009 Budget Support Act of 2008", was introduced in Council and assigned Bill No. 17-678, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on May 13, 2008, and June 3, 2008, respectively. Signed by the Mayor on June 26, 2008, it was assigned

Act No. 17-419 and transmitted to both Houses of Congress for its review. D.C. Law 17-219 became effective on August 16, 2008.

**Short title.** — Short title: Section 1010 of D.C. Law 17-219 provided that subtitle E of title I of the act may be cited as the "Budget Transparency Act of 2008".

### § 47-318.06. Monitoring indications of economic growth.

Each year, in connection with budget estimates, the Chief Financial Officer shall prepare an analysis of change in the economy and in economic assumptions and revenue forecasts which, to the extent practical, shall comment on the impact of tax changes on expanding the District's tax base. Such analysis shall be transmitted to the Council of the District of Columbia at the time of the Mayor's budget submission to the Council.

(Oct. 20, 1999, D.C. Law 13-38, § 2705(b), 46 DCR 6373.)

**Emergency legislation.** — For temporary (90-day) addition of section, see § 2705(b) of the Service Improvement and Fiscal Year 2000 Budget Support Emergency Act of 1999 (D.C. Act 13-110, July 28, 1999, 46 DCR 6320).

**Legislative history of Law 13-38.** — Law 13-38, the "Service Improvement and Fiscal

Year 2000 Budget Support Act of 1999," was introduced in Council and assigned Bill No. 13-161, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on May 11, 1999, and June 22, 1999, respectively. Signed by the Mayor on July 8, 1999, it was assigned Act No. 13-111 and

transmitted to both Houses of Congress for its review. D.C. Law 13-38 became effective on October 20, 1999.

*Subchapter I-C. Monitoring Committee.*

**§ 47-319.01. Establishment of the Initiative Implementation Monitoring Committee; duties.**

(a) There is established an Initiative Implementation Monitoring Committee ("Committee").

(b) The Committee shall advise the Mayor and the Council on the status of the implementation of the initiatives contained in the District's Revised Fiscal Year 1996 Budget Request Act and the July 1995 recommendations of the Financial Responsibility and Management Assistance Authority.

(c) The Committee is authorized to meet weekly to review weekly reports on the implementation of budget initiatives from subordinate agency heads and the budget officers of independent agencies to facilitate the monitoring of spending initiatives.

(Mar. 5, 1996, D.C. Law 11-98, § 701, 43 DCR 5; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-319.1.

**Temporary Addition of Section.** — For temporary (225 day) addition of subchapter, see §§ 901 to 904 of Budget Support Temporary Act of 1995 (D.C. Law 11-78, January 26, 1996, law notification 43 DCR ).

**Emergency legislation.** — For temporary addition of subchapter, see §§ 901 through 904 of the Budget Support Emergency Act of 1995 (D.C. Act 11-137, August 14, 1995, 42 DCR 4706), §§ 901 through 904 of the Budget Support Legislative Review Emergency Act of 1995 (D.C. Act 11-154, November 9, 1995, 42 DCR 6569), and §§ 701 through 704 of the Budget

Support Congressional Review Emergency Act of 1996 (D.C. Act 11-206, February 9, 1996, 43 DCR 777).

**Legislative history of Law 11-98.** — Law 11-98, the "Budget Support Act of 1995," was introduced in Council and assigned Bill No. 11-440 which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 7, 1995, and December 5, 1995, respectively. Signed by the Mayor on December 26, 1995, it was assigned Act No. 11-181 and transmitted to both Houses of Congress for its review. D.C. Law 11-98 became effective on March 5, 1996.

**§ 47-319.02. Composition.**

(a) The Committee shall consist of 9 members as follows:

(1) City Administrator or his or her designee, provided that the designee shall have the full authority of the City Administrator;

(2) Budget Director for the Council;

(3) Inspector General ("IG") or his or her designee, provided that the designee shall have the full authority of the IG;

(4) Chief Financial Officer ("CFO") or his or her designee, provided that the designee shall have the full authority of the CFO;

(5) Director of the Office of Personnel ("Director") or his or her designee, provided that the designee shall have the full authority of the Director;

(6) Auditor or his or her designee, provided that the designee shall have the full authority of the Auditor;

- (7) Chief Information Officer;
  - (8) One person designated by the Chairman of the Council Committee of the Whole; and
  - (9) One person designated by the Chairman of the Council Committee on Government Operations.
- (b) The City Administrator shall serve as the chair of the Committee.
  - (c) Four members of the Committee shall constitute a quorum.

(Mar. 5, 1996, D.C. Law 11-98, § 702, 42 DCR 5; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-319.2.

**Temporary Addition of Section.** — See Historical and Statutory Notes following § 47-319.01.

**Legislative history of Law 11-98.** — For legislative history of D.C. Law 11-98, see Historical and Statutory Notes following § 47-319.01.

### § 47-319.03. Compensation.

Members of the Committee shall receive no compensation.

(Mar. 5, 1996, D.C. Law 11-98, § 703, 43 DCR 5; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-319.3.

**Legislative history of Law 11-98.** — For

legislative history of D.C. Law 11-98, see Historical and Statutory Notes following § 47-319.01.

### § 47-319.04. Reports.

The Committee shall submit to the Council reports on the status of the Fiscal Year 1996 budget initiatives each month or as requested by the Council.

(Mar. 5, 1996, D.C. Law 11-98, § 704, 43 DCR 5; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-319.4.

**Temporary Addition of Section.** — See Historical and Statutory Notes following § 47-319.01.

**Legislative history of Law 11-98.** — For legislative history of D.C. Law 11-98, see Historical and Statutory Notes following § 47-319.01.

## *Subchapter II. Borrowing.*

### §§ 47-321 to 47-333. [Reserved].

### § 47-334. Definitions.

For the purposes of this subchapter, the term:

(1) “Debt Service” means the amount of money necessary to pay interest on outstanding District Bonds, including interest payments deferred to future years, the principal on maturing District Bonds, and the required contributions to a sinking fund for District Bonds, but excluding debt service payments



rebated to the District pursuant to the American Recovery and Reinvestment Act of 2009, approved February 17, 2009 (123 Stat. 115; 26 U.S.C. § 1 note). For tax-supported debt issued as variable-rate District Bonds, if the planned amortization of principal on the District Bonds, as documented in the indenture associated with such District Bonds, is different from the stated maturity of principal on the District Bonds, then the principal on maturing District Bonds shall mean the planned amortization of principal on the District Bonds.

(2) "District Bonds" means:

(A) General obligation bonds issued pursuant to the Home Rule Act [§ 1-201.01 et seq.];

(B) Treasury capital-project loans;

(C) Tax supported revenue bonds, notes, or other debt instruments secured by revenues derived from taxes, fees, or other general revenues of the District, or its agencies and authorities, pursuant to the District's power to tax and impose fees, including tax increment financed bonds, notes, or other debt instruments and bonds, notes, or other debt instruments financed by payments in lieu of taxes, but excluding revenue bonds, notes, or other debt instruments issued for the purpose of funding water and sewer facilities, as described in section 490(a) of the Home Rule Act [§ 1-204.90(a)], and bonds, notes, or other debt instruments paid or secured by revenues from the Master Settlement Agreement with tobacco companies, federal grants, or revenues from the operation of public enterprises, so long as those enterprises are fully self-supporting;

(D) Certificates of participation, and

(E) Lease purchase financing obligations.

(3) "District Bond Issuance" means the District's authorizing, selling, and delivering of District Bonds, including District Bonds to refund outstanding District Bonds.

(4) "Home Rule Act" means the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 774; D.C. Official Code § 1-201.01 et seq.).

(5) "Total Expenditures" means the total amount included in the Total Expenditures and Transfers line item in the enacted District Budget and Financial Plan for the General Fund for an applicable fiscal year, plus any Debt Service amounts in an applicable fiscal year on District Bonds for which the Debt Service on such District Bonds is not included in the Total Expenditures and Transfers line item in the enacted District Budget and Financial Plan for the General Fund.

(Mar. 25, 2009, D.C. Law 17-360, § 2(b), 56 DCR 1200; Mar. 3, 2010, D.C. Law 18-111, § 7211(a), 57 DCR 181; Apr. 8, 2011, D.C. Law 18-370, § 752(a), 58 DCR 1008.)

**Effect of amendments.** — D.C. Law 18-111 rewrote the section.

D.C. Law 18-370, in par. (1), added the second sentence.

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2(a) of

Limitation on Borrowing and Establishment of the Operating Cash Reserve Technical Amendment Emergency Act of 2009 (D.C. Act 18-174, August 3, 2009, 56 DCR 6639).

For temporary (90 day) amendment of section, see § 7081(a) of Fiscal Year 2010 Budget

Support Emergency Act of 2009 (D.C. Act 18-187, August 26, 2009, 56 DCR 7374).

For temporary (90 day) amendment of section, see § 7211(a) of Fiscal Year 2010 Budget Support Second Emergency Act of 2009 (D.C. Act 18-207, October 15, 2009, 56 DCR 8234).

For temporary (90 day) amendment of section, see § 7211(a) of Fiscal Year Budget Support Congressional Review Emergency Amendment Act of 2009 (D.C. Act 18-260, January 4, 2010, 57 DCR 345).

For temporary (90 day) amendment of section, see § 752(a) of Fiscal Year 2011 Supplemental Budget Support Emergency Act of 2010 (D.C. Act 18-694, January 19, 2011, 58 DCR 662).

**Legislative history of Law 17-360.** — Law 17-360, the “Limitation on Borrowing and Establishment of the Operating Cash Reserve Act of 2008”, was introduced in Council and assigned Bill No. 17-914 which was referred to

the Committee of the Whole. The Bill was adopted on first and second readings on December 2, 2008, and December 16, 2008, respectively. Signed by the Mayor on January 16, 2009, it was assigned Act No. 17-695 and transmitted to both Houses of Congress for its review. D.C. Law 17-360 became effective on March 25, 2009.

**Legislative history of Law 18-111.** — For Law 18-111, see notes following § 47-305.02.

**Legislative history of Law 18-370.** — For history of Law 18-370, see notes under § 47-143.

**Short title.** — Short title: Section 7210 of D.C. Law 18-111 provided that subtitle S of title VII of the act may be cited as the “Limitation on Borrowing Technical Amendments Act of 2009”.

Short title: Section 751 of D.C. Law 18-370 provided that subtitle F of title VII of the act may be cited as “Limitation on Borrowing Amendment Act of 2010”.

## § 47-335. Permissible security.

Any revenue bonds, notes, or other obligations authorized by an act of the Council of the District of Columbia enacted subsequent to August 1, 1981, pursuant to § 1-204.90(a), may be secured by a mortgage of real property or a security interest in any revenues, assets, or other property, notwithstanding that such mortgage or other security interest may not have been authorized by such § 1-204.90(a) as of the effective date of such act.

(Dec. 23, 1981, 95 Stat. 1493, Pub. L. 97-105, § 19(b); enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-335.

## § 47-335.01. Borrowing of funds for capital projects.

The Mayor shall not borrow any funds for capital projects unless the Mayor has obtained prior approval from the Council, by resolution, identifying the projects and amounts to be financed with such borrowings.

(Oct. 19, 2000, D.C. Law 13-172, § 3302, 47 DCR 6308.)

**Temporary Addition of Section.** — Section 3 of D.C. Law 18-308 added a section to read as follows:

“Sec. 3. (a) Pursuant to section 3302 of the Fiscal Year 2001 Budget Support Act of 2000, effective October 19, 2000 (D.C. Law 13-172; D.C. Official Code § 47-335.01), the Council approves the issuance and sale of general obligation bonds in an aggregate principal amount not to exceed \$180 million to fund certain capital projects listed in section 4, plus all costs and expenses related to issuing and delivering the bonds as authorized pursuant to the Bond Acts.

“(b) The capital projects listed in section 4 have been authorized pursuant to section 446 of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 801; D.C. Official Code § 1-204.46), the District of Columbia Appropriations Act, 2000, approved November 29, 1999 (Pub. L. No. 106-113; 113 Stat. 1501), the District of Columbia Appropriations Act, 2001, approved November 22, 2000 (Pub. L. No. 106-522; 114 Stat. 2457), the District of Columbia Appropriations Act, 2002, approved December 21, 2001 (Pub. L. No. 107-96; 115 Stat. 923), the District of Columbia Appropriations Act, 2003, approved February 20, 2003



(Pub. L. No. 108-7; 117 Stat. 11), the District of Columbia Appropriations Act, 2004, approved January 23, 2004 (Pub. L. No. 108-199; 118 Stat. 3), the District of Columbia Appropriations Act, 2005, approved October 18, 2004 (Pub. L. No. 108-335; 118 Stat. 1322), the District of Columbia Appropriations Act, 2006, approved November 30, 2005 (Pub. L. No. 109-115; 119 Stat. 2508), the Continuing Appropriations Resolution, 2007, approved February 15, 2007 (Pub. L. No. 110-5; 121 Stat. 8), the Continuing Appropriations Resolution, 2008, approved September 29, 2007 (Pub. L. No. 110-92; 121 Stat. 989), the District of Columbia Appropriations Act, 2008, approved December 26, 2007 (Pub. L. No. 110-161; 121 Stat. 1990), the Continuing Appropriations Resolution, 2009, approved September 30, 2008 (Pub. L. No. 110-329; 119 Stat. 3574), the District of Columbia Appropriations Act, 2009, approved March 11, 2009 (Pub. L. No. 111-8; 123 Stat. 524), the Continuing Appropriations Resolution, 2010, approved October 1, 2009 (Pub. L. No. 111-68; 123 Stat. 2023), the Further Continuing Appropriations Resolution, 2010, approved October 30, 2009 (Pub. L. No. 111-88; 123 Stat. 2904), the District of Columbia Appropriations Act, 2010, approved December 16, 2009 (Pub. L. No. 111-117; 123 Stat. 3034), the Continuing Appropriations Resolution, 2011, approved September 30, 2010 (Pub. L. No. 111-242; 124 Stat. 2607), and are included within the schedule of capital projects for which the District of Columbia is authorized to incur indebtedness under the General Obligation Bonds and Bond Anticipation Notes for Fiscal Years 1999–2004 Authorization Act of 1999, effective July 29, 1999 (D.C. Law 13-22; D.C. Official Code § 1-204.61, note); the General Obligation Bonds and Bond Anticipation Notes for Fiscal Years 2002-2007 Authorization Act of 2002, effective March 25, 2003 (D.C. Law 14-214; D.C. Official Code § 1-204.61, note); and the General Obligation Bonds and Bond Anticipation Notes for Fiscal Years 2007-2012 Authorization Act of 2006, effective March 6, 2007 (D.C. Law 16-212; D.C. Official Code § 1.204.61, note) ('Bond Acts')."

Section 8(b) of D.C. Law 18-308 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90-day) addition of section, see § 3302 of the Fiscal Year 2001 Budget Support Emergency Act of 2000 (D.C. Act 13-376, July 24, 2000, 47 DCR 6574).

For temporary (90 day) amendment of section, see § 3302 of the Fiscal Year 2001 Budget Support Congressional Review Emergency Act of 2000 (D.C. Act 13-438, October 20, 2000, 47 DCR 8740).

For temporary (90 day) authorization to borrow funds for capital projects through the issuance of general obligation bonds, see § 2 of Fiscal Year 2005 General Obligation Bond Issuance Emergency Approval Act of 2004 (D.C. Act 15-593, October 26, 2004, 51 DCR 10734).

For temporary (90 day) addition of section, see § 3 of Fiscal Year 2011 Income Tax Secured Revenue Bond and General Obligation Bond Issuance Emergency Approval Act of 2010 (D.C. Act 18-607, November 17, 2010, 57 DCR 11054).

**Legislative history of Law 13-172.** — Law 13-172, the "Fiscal Year 2001 Budget Support Act of 2000," was introduced in Council and assigned Bill No. 13-679, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on May 15, 2000, and June 6, 2000, respectively. Signed by the Mayor on June 26, 2000, it was assigned Act No. 13-175 and transmitted to both Houses of Congress for its review. D.C. Law 13-172 became effective on October 19, 2000.

**Resolutions.** — Resolution 14-224, the "General Obligation Bond Issuance Authorization Resolution of 2001", was approved effective October 16, 2001.

Resolution 14-225, the "General Obligation Bond Proceeds Financing Reallocation Authorization Resolution of 2001", was approved effective October 16, 2001.

Resolution 14-585, the "General Obligation Bond Issuance Authorization Emergency Resolution of 2002", was approved effective October 18, 2002.

Resolution 15-129, the "General Obligation Bond Issuance Approval Resolution of 2003", was approved effective July 8, 2003.

Resolution 16-356, the "Fiscal Year 2006 General Obligation Bond Issuance Approval Emergency Resolution of 2005", was approved effective November 1, 2005.

## § 47-335.02. Borrowing limitation.

(a) The Council shall not approve proposed District Bonds if the applicable annual Debt Service on the proposed District Bonds would cause the Debt Service on all District Bonds in the fiscal year in which the proposed District Bonds are issued, or in any of the 5 succeeding fiscal years, to exceed 12% of Total Expenditures in any applicable fiscal year, as contained in the most recently enacted District Budget and Financial Plan.



(b) Obligations incurred pursuant to the authority contained in subchapter II of Chapter 3 of Title 3, obligations incurred by the agencies transferred or established by sections 201 or 202 of the Home Rule Act [§ 1-202.01 or § 1-202.02], whether incurred before or after such transfer or establishment, and obligations incurred pursuant to District Bonds issued prior to October 1, 1996, for the financing of Department of Public Works, Water and Sewer Utility Administration capital projects shall not be included in determining the aggregate amount of Debt Service on all outstanding District Bonds subject to the 12% limitation specified in subsection (a) of this section.

(c) The 12% limitation specified in subsection (a) of this section shall be calculated by the Office of the Chief Financial Officer as follows:

(1) Determine the dollar amount equivalent to 12% of the Total Expenditures during the fiscal year for which the proposed District Bonds will be issued and the 5 succeeding fiscal years;

(2) Determine the actual total amount of Debt Service to be paid during the fiscal year for which the proposed District Bonds will be issued and the 5 succeeding fiscal years for all outstanding District Bonds;

(3) Determine the amount of Debt Service to be paid during the fiscal year for which the proposed District Bonds will be issued and the 5 succeeding fiscal years; and

(4) If in any applicable fiscal year the sum of paragraphs (2) and (3) of this subsection exceeds the amount determined under paragraph (1) of this subsection, then the proposed District Bonds or Treasury loan shall not be issued.

(Mar. 25, 2009, D.C. Law 17-360, § 2(c), 56 DCR 1200; Mar. 3, 2010, D.C. Law 18-111, § 7211(b), 57 DCR 181; Apr. 8, 2011, D.C. Law 18-370, § 752(b), 58 DCR 1008.)

**Effect of amendments.** — D.C. Law 18-111 rewrote the section.

D.C. Law 18-370 substituted “5 succeeding fiscal years” for “3 succeeding fiscal years”.

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2(b) of Limitation on Borrowing and Establishment of the Operating Cash Reserve Technical Amendment Emergency Act of 2009 (D.C. Act 18-174, August 3, 2009, 56 DCR 6639).

For temporary (90 day) amendment of section, see § 7081(b) of Fiscal Year 2010 Budget Support Emergency Act of 2009 (D.C. Act 18-187, August 26, 2009, 56 DCR 7374).

For temporary (90 day) amendment of section, see § 7211(b) of Fiscal Year 2010 Budget Support Second Emergency Act of 2009 (D.C. Act 18-207, October 15, 2009, 56 DCR 8234).

For temporary (90 day) amendment of section, see § 7211(b) of Fiscal Year Budget Support Congressional Review Emergency Amendment Act of 2009 (D.C. Act 18-260, January 4, 2010, 57 DCR 345).

For temporary (90 day) amendment of section, see § 752(b) of Fiscal Year 2011 Supplemental Budget Support Emergency Act of 2010 (D.C. Act 18-694, January 19, 2011, 58 DCR 662).

**Legislative history of Law 17-360.** — For Law 17-360, see notes following § 47-334.

**Legislative history of Law 18-111.** — For Law 18-111, see notes following § 47-305.02.

**Legislative history of Law 18-370.** — For history of Law 18-370, see notes under § 47-143.

*Subchapter II-A. Capital Review and Debt Affordability.*

**§ 47-336. Definitions.**

For the purposes of this subchapter, the term:

(1) "Capital lease financings" means a lease in which the District is the lessee and which meets 1 or more of the following criteria:

(A) The lease transfers ownership of the property to the lessee by the end of the lease term;

(B) The lease allows the lessee to purchase the real property at a bargain price;

(C) The term of the lease is 75% or more of the estimated useful economic life of the real property; or

(D) The present value of the lease payments is 90% or more of the fair market value of the real property.

(2) "Committee" means the Capital Review and Debt Affordability Committee.

(3) "Multiyear capital improvements plan" means the multiyear capital improvements plan required by § 1-204.44.

(4) "Special real property tax levy" means that portion of the real property tax levy required by District of Columbia general obligation bonds acts to be deposited in the debt service fund so that, when added to the funds already on deposit in the fund, the fund will be sufficient to pay the principal and interest on all outstanding general obligation bonds and additional general obligation bonds coming due in any year.

(May 24, 1994, D.C. Law 10-126, § 2, 41 DCR 1814; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-336.

**Legislative history of Law 10-126.** — Law 10-126, the "Capital Review and Debt Affordability," was introduced in Council and assigned Bill No. 10-470, which was referred to the Committee of the Whole. The Bill was

adopted on first and second readings on February 1, 1994, and March 1, 1994, respectively. Signed by the Mayor on March 24, 1994, it was assigned Act No. 10-219 and transmitted to both Houses of Congress for its review. D.C. Law 10-126 became effective on May 24, 1994.

**§ 47-337. Capital Review and Debt Affordability Committee.**

(a) There is established a Capital Review and Debt Affordability Committee.

(b) The Committee shall consist of the following 5 members:

(1) One individual appointed by the Mayor; and

(2) The following 4 ex officio members:

(A) The City Administrator;

(B) The Chief Financial Officer;

(C) The Director of the Department of Public Works; and

(D) The Chairman of the Council.

(c) The Chief Financial Officer shall serve as the chairperson of the Committee.

(d) The chairperson shall call meetings of the Committee as needed to perform its duties.

(May 24, 1994, D.C. Law 10-126, § 3, 41 DCR 1814; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-337. legislative history of D.C. Law 10-126, see Historical and Statutory Notes following § 47-336.  
**Legislative history of Law 10-126.** — For

## § 47-338. Duties of the Committee.

(a) The Committee shall review the size and condition of the District general obligation bonds and capital lease financings on a continuing basis.

(b) On or before August 1 of each year, the Committee shall submit to the Mayor and the Council the Committee's estimate of the total amount of new District general obligation bonds and capital lease financings that prudently may be authorized for the next fiscal year.

(c) In making the estimate the Committee shall consider the following:

(1) The amount of District general obligation bonds and capital lease financings that, during the next fiscal year:

(A) Will be outstanding; and

(B) Will be authorized but unissued;

(2) The capital budget;

(3) The multiyear capital improvements plan;

(4) Projections of debt service and capital lease payment requirements during the next 6 years;

(5) The criteria used by bond rating agencies to judge the quality of issues of District bonds; and

(6) Any other factor that is relevant to the ability of the District to meet its projected debt service and capital lease financings.

(d) The estimate of the Committee is advisory and does not bind the Council or the Mayor.

(e) The Committee may review the capital needs of the District on a continuing basis.

(f) On or before October 1 of each year, the Committee may submit to the Mayor and the Council the Committee's recommended allocation for the following budget year of financing determined under this section for the following capital projects:

(1) Mass Transit Facilities and Equipment;

(2) Public School and Public Education Facilities and Equipment;

(3) Governmental and Public Works Facilities and Equipment;

(4) Administrative Services Facilities and Equipment;

(5) Transportation and Public Works Facilities and Equipment;

(6) Public and Assisted Housing Facilities and Equipment;

(7) Correctional and Public Safety Facilities and Equipment; and

(8) All other capital projects.

(g) In recommending the allocation, the Committee shall consider the following:

(1) A multiyear capital improvements strategy;



(2) The condition and life replacement cycle of the District's infrastructure;

(3) The requirements for sustained economic development;

(4) The availability of matching federal grant funds;

(5) The condition of and need for public and correctional facilities;

(6) Existing contract commitments;

(7) Commitments for regional participation; and

(8) Comprehensive plans for other specific types of capital investment.

(h) The allocation of financing recommended by the Committee is advisory and does not bind the Mayor or the Council.

(May 24, 1994, D.C. Law 10-126, § 4, 41 DCR 1814; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-338. legislative history of D.C. Law 10-126, see Historical and Statutory Notes following § 47-336.  
**Legislative history of Law 10-126.** — For

## § 47-339. Preliminary capital budget and multiyear capital improvements plan.

On or before January 10 of each year, the Mayor shall transmit to the Council a preliminary capital budget for the next fiscal year and a preliminary multiyear capital improvements plan.

(May 24, 1994, D.C. Law 10-126, § 5, 41 DCR 1814; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-339. 2000 (D.C. Act 13-393, August 14, 2000, 47 DCR 7032).  
**Emergency legislation.** — For temporary (90-day) addition of § 47-339.1 1981 Ed., see §§ 2(d) and 3(d) of the Fiscal Year 2001 Budget Support Second Emergency Amendment Act of  
**Legislative history of Law 10-126.** — For legislative history of D.C. Law 10-126, see Historical and Statutory Notes following § 47-336.

### § 47-339.01. Capital projects.

(a)(1) In accordance with §§ 1-204.43 and 1-204.44, the Mayor shall prepare and include in the annual budget a multiyear capital improvements plan for all agencies for all capital projects, which shall include for each capital project a written:

(A) Description of the scope of the project;

(B) Description of the purpose of the project;

(C) Estimated fully-funded cost;

(D) Estimated impact on the operating budget;

(E) Description of its geographic location, including the address and ward; provided, that planning and other studies as set forth in § 1-201.03(8)(A)), or a project established solely to procure capital equipment or information technology equipment, including those projects under the Master Lease program, shall not require a specified location; and

(F) A facility name or identifier, if applicable.

(2)(A) A capital project may include multiple public betterments or improvements only if the public betterments or improvements are:

- (i) At more than one location;
- (ii) Of similar type or purpose; and
- (iii) Do not involve construction of new facilities or substantial rehabilitation of government buildings.

(B) The information listed in paragraph (1) of this subsection shall be separately provided for any public betterment or improvement included as part of a capital project if the cost of the public betterment or improvement is greater than \$500,000 or more than 10% of the approved budget for the capital project.

(b)(1) The Mayor shall provide the information required by subsection (a) of this section for every capital project for which funds have been appropriated, in whole or in part, beginning in fiscal year 2008, with the annual budget for each fiscal year until the project has been completed.

(2) For projects included in fiscal years 2008, 2009, and 2010 budgets, the Mayor shall submit to the Council the information required by subsection (a) of this section by February 1, 2010, for each capital project for which this information has not been provided.

(Mar. 3, 2010, D.C. Law 18-111, § 1141(b), 57 DCR 181.)

**Emergency legislation.** — For temporary (90 day) addition, see § 2(b) of Revised Capital Project Clarification Emergency Amendment Act of 2009 (D.C. Act 18-120, June 20, 2009, 56 DCR 4955).

For temporary (90 day) addition, see § 2(b) of Capital Project Clarification Emergency Amendment Act of 2009 (D.C. Act 18-100, June 2, 2009, 56 DCR 4449).

For temporary (90 day) addition, see § 1011(b) of Fiscal Year 2010 Budget Support Emergency Act of 2009 (D.C. Act 18-187, August 26, 2009, 56 DCR 7374).

For temporary (90 day) addition, see

§ 1141(b) of Fiscal Year 2010 Budget Support Second Emergency Act of 2009 (D.C. Act 18-207, October 15, 2009, 56 DCR 8234).

For temporary (90 day) addition, see § 1141(b) of Fiscal Year Budget Support Congressional Review Emergency Amendment Act of 2009 (D.C. Act 18-260, January 4, 2010, 57 DCR 345).

**Legislative history of Law 18-111.** — For Law 18-111, see notes following § 47-305.02.

**Short title.** — Short title: Section 1140 of D.C. Law 18-111 provided that subtitle O of title I of the act may be cited as the “Capital Project Clarification Act of 2009”.

## § 47-340. Notation of debt service requirement on real property tax bills.

Commencing with the tax year beginning October 1, 1994, and ending September 30, 1995, and for each tax year thereafter, the Mayor shall note on the first half tax bill, which is due and payable by March 31, 1995, and on the second half tax bill, which is due and payable by September 15, 1995, the percent of the total real property tax levy that constitutes the special real property tax levy.

(May 24, 1994, D.C. Law 10-126, § 6, 41 DCR 1814; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-340.  
**Legislative history of Law 10-126.** — For

legislative history of D.C. Law 10-126, see Historical and Statutory Notes following § 47-336.



*Subchapter II-B. Industrial Revenue Bond Forward  
Commitment Program.*

**§ 47-340.01. Revenue bonds and other obligations.**

For the purpose of this subchapter, the term:

(1) "Applicant" means each person, sole proprietorship, corporation, partnership, limited partnership, joint venture, trust, firm, association, unincorporated organization, or a government or an agency or political subdivision thereof, or other legal entity, applying to receive revenue bond financing pursuant to section 490 of the Home Rule Act [§ 1-204.90].

(2) "Authorized delegate" means the Assistant City Administrator for Economic Development, the Deputy Mayor for Financial Management, or any officer or employee of the Executive Office of the Mayor to whom the Mayor has delegated or to whom the foregoing individuals have subdelegated any of the Mayor's functions under this subchapter pursuant to section 422(6) of the Home Rule Act [§ 1-204.22(6)].

(3) "Bond counsel" means a firm or firms of attorneys designated as bond counsel from time to time by the Mayor.

(4) "Bonds" means one or the several separate series of District revenue bonds, notes, and other obligations authorized to be issued pursuant to this subchapter.

(5) "Chairman" means the Chairman of the Council of the District of Columbia.

(6) "Closing documents" means all documents and agreements other than financing documents that may be necessary and appropriate to issue, sell, and deliver each applicable series of bonds and to make the loans contemplated thereby, and includes agreements, certificates, letters, opinions, forms, receipts, and other similar instruments.

(7) "Council" means the Council of the District of Columbia.

(8) "Development" means the acquisition, purchase, construction, reconstruction, improvement, renovation, rehabilitation, restoration, remodeling, repair, expansion, or extension and the equipping and the furnishing of eligible projects.

(9) "District" means the District of Columbia.

(10) "Eligible project" means the financing, refinancing, or reimbursing of costs of the development of facilities in the areas of housing, health facilities, transit and utility facilities, recreation facilities, college and university facilities, college and university student loan programs, pollution control facilities, and industrial and commercial development authorized pursuant to this subchapter.

(11) "Financing documents" means the documents other than closing documents that relate to the financing or refinancing of transactions to be effected through the issuance, sale, and delivery contemplated thereby, including any offering documents and any required supplements to those documents.

(12) "Forward authorization program" means District approval of a program to expedite the issuance, sale, and delivery of revenue bonds in one or multiple separate series pursuant to this subchapter.



(13) "Home Rule Act" means the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 774; § 1-201.01 et seq.).

(14) "Issuance costs" means all fees, costs, charges, and expenses paid or incurred in connection with the authorization, preparation, printing, issuance, sale, and delivery of each applicable series of bonds and the making of loans contemplated thereby, including, but not limited to, program fees and administrative fees charged by the District; underwriting, legal, accounting, rating agency, and other financing fees, costs, and expenses; fees paid to financial institutions and insurance companies; initial letter of credit fees, compensation to financial advisors and other persons (other than full-time employees of the District) and entities performing services on behalf of or as agents for the District; and all other fees, costs, charges, and expenses incurred in connection with the development, and implementation of the financing documents, the closing documents, and those other documents necessary or appropriate in connection with the authorization, preparation, printing, issuance, sale, marketing, and delivery of each applicable series of bonds and the making of loans contemplated thereby.

(15) "Loan" means the District's lending of proceeds from the sale of each applicable series of bonds, including by the purchase of any mortgage, note, or other security or by the purchase, lease, or sale of any property.

(16) "Mayor" means the Mayor of the District of Columbia.

(17) "Rules of the Council" means the guidelines and standards governing Council conduct adopted by the Council.

(Sept. 20, 1995, D.C. Law 11-46, § 2, 42 DCR 3603; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-340.1.

**Temporary Addition of Section.** — For temporary (225 day) addition of §§ 47-340.01 to 47-340.16, see §§ 2 to 17 of Industrial Revenue Bond Forward Commitment Program Authorization Temporary Act of 1995 (D.C. Law 11-37, September 8, 1995, law notification 42 DCR 5306).

**Emergency legislation.** — For temporary addition of subchapter, see § 2 to 17 of the Industrial Revenue Bond Forward Commitment Program Authorization Emergency Act of 1995 (D.C. Act 11-49, May 15, 1995, 42 DCR 2548) and § 2 to 17 of the Industrial Revenue Bond Forward Commitment Program Authorization Congressional Recess Emergency Act of 1995 (D.C. Act 11-99, July 19, 1995, 42 DCR 3851).

**Legislative history of Law 11-46.** — Law 11-46, the "Industrial Revenue Bond Forward Commitment Program Authorization Act of 1995," was introduced in Council and assigned Bill No. 11-119, which was referred to the Committee on Economic Development. The Bill was adopted on first and second readings on June 6, 1995, and June 20, 1995, respectively. Signed by the Mayor on June 30, 1995, it was

assigned Act No. 11-85 and transmitted to both Houses of Congress for its review. D.C. Law 11-46 became effective on September 20, 1995.

**Editor's notes.** — Medlantic Healthcare Group, Inc., Revenue Bond Project Approval Resolution of 1995: Pursuant to Resolution 11-163, effective November 7, 1995, the Council approved the loan of proceeds from the issuance and sale of District of Columbia Revenue bonds to Medlantic Healthcare Group, Inc., d/b/a/ Washington Hospital Center and National Rehabilitation Hospital.

American University Revenue Bond Project Approval Resolution of 1996: Pursuant to Resolution 11-416, effective July 3, 1996, the Council approved the loan of proceeds from the issuance and sale of District of Columbia revenue bonds to the American University Revenue Bond Project.

Georgetown University Revenue Bond Project Approval Resolution of 1996: Pursuant to Resolution 11-417, effective July 3, 1996, the Council approved the loan of proceeds from the issuance and sale of District of Columbia revenue bonds to the Georgetown University Revenue Bond Project.

Howard University Revenue Bond Project Approval Resolution of 1996: Pursuant to Res-

olution 11-418, effective July 3, 1996, the Council approved the loan of proceeds from the issuance and sale of District of Columbia revenue bonds to the Howard University Revenue Bond Project.

Lucy Webb Hayes National Training School for Deaconesses and Missionaries, in care of Sibley Memorial Hospital, Hospital Revenue Bond Project Approval Resolution of 1996: Pursuant to Resolution 11-524, effective October 1, 1996, the Council approved the issuance, sale, and delivery of District of Columbia Revenue Bonds and the loan of proceeds thereof to assist in the financing, refinancing, or reimbursing of costs related to the Lucy Webb Hayes National

Training School for Deaconesses and Missionaries, in care of Sibley Memorial Hospital.

Individual Development, Inc. (Successor to We Care Projects, Inc.) Revenue Bond Project Emergency Approval Resolution of 1996: Pursuant to Resolution 11-670, effective December 3, 1996, the Council approved, on an emergency basis, the issuance, sale, and delivery of District of Columbia revenue bonds and the loan of proceeds thereof to assist in the financing, refinancing, or reimbursing of costs related to certain intermediate care residential facilities for the mentally retarded owned and operated by Individual Development, Inc. (Successor to We Care Projects, Inc.).

## § 47-340.02. Bond authorization.

(a) The Mayor is authorized to assist in financing, refinancing, and reimbursing costs of the development of eligible projects by:

(1) Approving the issuance, sale, and delivery of one or more series of revenue bonds in multiple separate series in an aggregate principal amount not to exceed \$850,000,000; and

(2) The making of various loans, pursuant to the Home Rule Act, provided that each such contemplated project shall have been submitted for Council review and approval in accordance with § 47-340.03, and shall not have been the subject of a Council resolution of disapproval.

(b) The Mayor is authorized to make loans to various applicants for the purpose of financing, refinancing, or reimbursing the costs of development of eligible projects, pay issuance costs with respect to the bonds, and establish any fund with respect to the various series of bonds as required by the financing documents.

(c) The Mayor may charge a program fee to each applicant, including, but not limited to, an amount sufficient to cover costs and expenses incurred by the District in connection with the issuance, sale and delivery of each series of bonds and the District's participation in monitoring of the use of bond proceeds and compliance with any public benefit agreements with the District, maintaining official records of each bond transaction and assisting in the redemption, repurchase, and remarketing of the bonds.

(Sept. 20, 1995, D.C. Law 11-46, § 3, 42 DCR 3603; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-340.2.

**Temporary Addition of Section.** — See Historical and Statutory Notes following § 47-340.01.

**Legislative history of Law 11-46.** — For legislative history of D.C. Law 11-46, see Historical and Statutory Notes following § 47-340.01.

**Editor's notes.** — Delegation of Functions under the District of Columbia Self-Government and Governmental Reorganization Act of 1973 and D.C. Law 11-46, the Industrial Revenue Bond Forward Commitment Program Authorization Act of 1995: See Mayor's Order 96-29, March 5, 1996 (43 DCR 1378).



### § 47-340.03. Council review for each individual project.

(a) For each individual project for which there is a proposed bond series issuance, the Mayor shall submit to the Council a resolution of project approval accompanied by a summary description of the proposed project, a listing of the public purpose benefits to be derived from the proposed undertaking, the preliminary legal sufficiency determinations of the Office of the Attorney General for the District of Columbia and bond counsel, and a summary of any finding of approval by the Mayor for a 30-day period of Council review, excluding Saturdays, Sundays, legal holidays, and days of Council recess.

(b) The Council may approve, conditionally approve, or disapprove a proposed project by resolution within 30 days after the Mayor transmits to the Council the information set forth in subsection (a) of this section. Failure of the Council to take action on a resolution within the 30-day review period shall be deemed to be Council approval of the project.

(c) The Council shall transmit to the Mayor notice of expiration of the review period under subsections (a) and (b) of this section.

(Sept. 20, 1995, D.C. Law 11-46, § 4, 42 DCR 3603; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 13, 2005, D.C. Law 15-354, § 73(a)(1), 52 DCR 2638.)

**Section references.** — This section is referred to in §§ 47-340.02 and 47-340.14.

**Prior Codifications.** — 1981 Ed., § 47-340.3.

**Effect of amendments.** — D.C. Law 15-354 substituted “Attorney General for the District of Columbia” for “Corporation Counsel”.

**Temporary Addition of Section.** — See Historical and Statutory Notes following § 47-340.01.

**Legislative history of Law 11-46.** — For legislative history of D.C. Law 11-46, see Historical and Statutory Notes following § 47-340.01.

**Legislative history of Law 15-354.** — Law 15-354, the “Technical Amendments Act of 2004”, was introduced in Council and assigned Bill No. 15-1130 which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on December 7, 2004, and December 21, 2004, respectively. Signed by the Mayor on February 9, 2005, it was assigned Act No. 15-770 and transmitted to both Houses of Congress for its review. D.C. Law 15-354 became effective on April 13, 2005.

### § 47-340.04. Details of each series of bonds.

(a) The Mayor is authorized to take any action necessary or appropriate in accordance with this subchapter in connection with the preparation, execution, issuance, sale, delivery, security for, and payment of each series of bonds, including, but not limited to, determinations of:

(1) The final form, content, designation, and terms of the bonds, including a determination that such bonds may be issued in certificate or book entry form;

(2) The principal amount of the bonds to be issued and denominations of the bonds;

(3) The rate or rates of interest or the method for determining the rate or rates of interest on the bonds;

(4) The date or dates of issuance, sale, and delivery of, and the payment of interest on the bonds, and the maturity date or dates of such bonds;



(5) The terms under which the bonds may be paid, optionally or mandatorily redeemed, accelerated, tendered, called, or put for redemption, repurchase, or remarketing before their respective stated maturities;

(6) Provisions for the registration, transfer, and exchange of each series of bonds and the replacement of mutilated, lost, stolen, or destroyed bonds;

(7) The creation of any reserve fund, sinking fund, or other fund with respect to the bonds;

(8) The time and place of payment of the bonds;

(9) Procedures for monitoring the use of the proceeds received from the sale of the bonds to ensure that they are properly applied to their respective project and used to accomplish the purposes of the Home Rule Act;

(10) Actions necessary to qualify the bonds under blue sky laws of any jurisdiction where the bonds are marketed; and

(11) The terms and types of credit enhancement under which the bonds may be secured.

(b) The bonds shall contain a legend, which shall provide that the bonds shall be special obligations of the District, shall be without recourse to the District, shall not be a pledge of, and shall not involve, the faith and credit or the taxing power of the District, shall not constitute a debt of the District, and shall not constitute lending of the public credit for private undertakings as prohibited in section 602(a)(2) of the Home Rule Act [§ 1-206.02(a)(2)].

(c) The bonds shall be executed in the name of the District and on its behalf by the manual or facsimile signature of the Mayor. The Mayor's execution and delivery of the bonds shall constitute conclusive evidence of the Mayor's approval, on behalf of the District, of the final form and content of the bonds.

(d) The official seal of the District, or a facsimile of it, shall be impressed, printed, or otherwise reproduced on the bonds.

(e) The bonds may be issued in accordance with the terms of the trust instruments entered into by the District and one or more trustees to be selected by the Mayor, and may be subject to the terms of one or more agreements entered into by the Mayor pursuant to section 490(a)(4) of the Home Rule Act [§ 1-204.90(a)(4)].

(f) The bonds may be issued at any time or from time to time in 1 or more issues and in 1 or more series.

(Sept. 20, 1995, D.C. Law 11-46, § 5, 42 DCR 3603; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-340.4.

**Temporary Addition of Section.** — See Historical and Statutory Notes following § 47-340.01.

**Legislative history of Law 11-46.** — For legislative history of D.C. Law 11-46, see Historical and Statutory Notes following § 47-340.01.

## § 47-340.05. Sale of the bonds.

(a) The bonds of any series may be sold at negotiated or competitive sale at, above, or below par, to one or more persons or entities, and upon terms that the Mayor considers to be in the best interest of the District.

(b) The Mayor or an authorized delegate may execute, in relation to each sale of the bonds, offering documents on behalf of the District and may authorize the distribution of the documents in relation to the bonds being sold.

(c) The Mayor is authorized to deliver the executed and sealed bonds, on behalf of the District, for authentication, and, after the bonds have been authenticated, to deliver the bonds to the original purchasers of the bonds upon payment of the purchase price.

(d) The bonds shall not be issued until the Mayor receives an approving opinion from bond counsel as to the validity of the bonds and, if the interest on the bonds is expected to be exempt from federal income taxes, the treatment of the interest on the bonds for purposes of federal income taxation.

(Sept. 20, 1995, D.C. Law 11-46, § 6, 42 DCR 3603; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-340.5.

**Temporary Addition of Section.** — See Historical and Statutory Notes following § 47-340.01.

**Legislative history of Law 11-46.** — For legislative history of D.C. Law 11-46, see Historical and Statutory Notes following § 47-340.01.

## § 47-340.06. Payment and security.

(a) The principal of, premium, if any, and interest on the bonds shall be payable solely from proceeds received from the sale of the bonds, income realized from the temporary investment of those proceeds, receipts and revenues realized by the District from the loan, income realized from the temporary investment of those receipts and revenues prior to payment to the bond owners, other moneys that, as provided in the financing documents, may be made available to the District for the payment of the bonds, and other sources, other than the District, of payment, all as provided for in the financing documents.

(b) Payment of the bonds shall be secured as provided in the financing documents and by an assignment by the District for the benefit of the bond owners of certain of its rights under the financing documents and closing documents, including a security interest in certain collateral, to the trustee for the bonds pursuant to the financing documents.

(c) The trustee is authorized to deposit, invest, and disburse the proceeds received from the sale of the bonds pursuant to the financing documents.

(Sept. 20, 1995, D.C. Law 11-46, § 7, 42 DCR 3603; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-340.09.

**Prior Codifications.** — 1981 Ed., § 47-340.6.

**Temporary Addition of Section.** — See Historical and Statutory Notes following § 47-340.01.

**Legislative history of Law 11-46.** — For legislative history of D.C. Law 11-46, see Historical and Statutory Notes following § 47-340.01.



**§ 47-340.07. Financing and closing documents.**

(a) The Council approves the financing documents to which the District is a party in substantially the form in which these documents are filed by the Council with the Office of the Secretary to the Council, and authorizes the Mayor to make modifications to these documents that are within the limitations of the Home Rule Act, and that the Mayor considers appropriate to carry out the purposes of this subchapter.

(b) The Mayor is authorized to prescribe the final form and content of all financing documents and all closing documents to which the District is a party that may be necessary or appropriate to issue, sell, and deliver bonds and to make loans to applicants. Each of the financing documents and each of the closing documents to which the District is not a party shall be approved, as to form and content, by the Mayor.

(c) The Mayor is authorized to execute in the name of the District, and on its behalf, any financing documents and any closing documents to which the District is a party by the Mayor's manual or facsimile signature.

(d) The official seal of the District, or a facsimile of it, shall be impressed, printed, or otherwise reproduced on the financing documents and the closing documents to which the District is a party.

(e) The Mayor's execution and delivery of the financing documents and the closing documents to which the District is a party shall constitute conclusive evidence of the Mayor's approval, on behalf of the District, of the final form and content of the executed financing documents and the executed closing documents.

(f) The Mayor is authorized to deliver the executed and sealed financing documents and closing documents, on behalf of the District, prior to or simultaneously with the issuance, sale, and delivery of the bonds, and to ensure the due performance of the obligations of the District contained in the executed, sealed, and delivered financing documents and closing documents.

(Sept. 20, 1995, D.C. Law 11-46, § 8, 42 DCR 3603; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-340.7.

**Temporary Addition of Section.** — See Historical and Statutory Notes following § 47-340.01.

**Legislative history of Law 11-46.** — For legislative history of D.C. Law 11-46, see Historical and Statutory Notes following § 47-340.01.

**§ 47-340.08. Authorized delegation of authority.**

To the extent permitted by District and federal law, the Mayor may delegate to any authorized delegate the performance of any function authorized to be performed by the Mayor under this subchapter.

(Sept. 20, 1995, D.C. Law 11-46, § 9, 42 DCR 3603; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)



**Prior Codifications.** — 1981 Ed., § 47-340.8.

**Temporary Addition of Section.** — See Historical and Statutory Notes following § 47-340.01.

**Legislative history of Law 11-46.** — For legislative history of D.C. Law 11-46, see Historical and Statutory Notes following § 47-340.01.

## § 47-340.09. Limited liability.

(a) The bonds shall be special obligations of the District. The bonds shall be without recourse to the District. The bonds shall not be general obligations of the District, shall not be a pledge of or involve the faith and credit or the taxing power of the District, shall not constitute a debt of the District, and shall not constitute lending of the public credit for private undertakings as prohibited in section 602(a)(2) of the Home Rule Act [§ 1-206.02(a)(2)].

(b) The bonds shall not give rise to any pecuniary liability of the District and the District shall have no obligation with respect to the purchase of the bonds.

(c) Nothing contained in the bonds, in the financing documents, or in the closing documents shall create any obligation on the part of the District to make payments with respect to the bonds from sources other than those listed for that purpose in § 47-340.06.

(d) The District shall not have liability for the payment of any issuance costs or for any transaction or event to be effected by the financing documents.

(e) All covenants, obligations, and agreements of the District contained in this subchapter, the bonds, and the executed, sealed, and delivered financing and closing documents to which the District is a party, shall be considered to be the covenants, obligations, and agreements of the District to the fullest extent authorized by law, and each of those covenants, obligations, and agreements shall be binding upon the District, subject to the limitations set forth in this subchapter.

(f) No person, including any applicant and any bond owner, shall have any claims against the District or any of its elected or appointed officials, officers, employees, or agents for monetary damages suffered as a result of the failure of the District to perform any covenant, undertaking, or obligation under this subchapter, the bonds, the financing documents, or the closing documents, nor as a result of the incorrectness of any representation in or omission from the financing documents or the closing documents, unless the District or its elected or appointed officials, officers, employees, or agents have acted in a willful and fraudulent manner.

(Sept. 20, 1995, D.C. Law 11-46, § 10, 42 DCR 3603; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-340.9.

**Temporary Addition of Section.** — See Historical and Statutory Notes following § 47-340.01.

**Legislative history of Law 11-46.** — For legislative history of D.C. Law 11-46, see Historical and Statutory Notes following § 47-340.01.

## § 47-340.10. District officials.

(a) The elected or appointed officials, officers, employees, or agents of the

District shall not be liable personally for the payment of the bonds or be subject to any personal liability by reason of the issuance of the bonds, or for any representations, warranties, covenants, obligations, or agreements of the District contained in this subchapter, the bonds, the financing documents, or the closing documents.

(b) The signature, countersignature, facsimile signature, or facsimile countersignature of any official appearing on the bonds, the financing documents, or the closing documents shall be valid and sufficient for all purposes, notwithstanding the fact that the official ceases to be that official before delivery of the bonds, the financing documents, or the closing documents.

(Sept. 20, 1995, D.C. Law 11-46, § 11, 42 DCR 3603; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-340.10.

**Temporary Addition of Section.** — See Historical and Statutory Notes following § 47-340.01.

**Legislative history of Law 11-46.** — For legislative history of D.C. Law 11-46, see Historical and Statutory Notes following § 47-340.01.

## § 47-340.11. Maintenance of documents.

Copies of the specimen bonds and of the final financing documents and closing documents shall be filed in the Office of the Secretary of the District.

(Sept. 20, 1995, D.C. Law 11-46, § 12, 42 DCR 3603; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-340.11.

**Temporary Addition of Section.** — See Historical and Statutory Notes following § 47-340.01.

**Legislative history of Law 11-46.** — For legislative history of D.C. Law 11-46, see Historical and Statutory Notes following § 47-340.01.

## § 47-340.12. Information reporting.

Within 3 days after the Mayor's receipt of the transcript of proceedings relating to the issuance of any series of bonds, the Mayor shall transmit a copy of this transcript to the Secretary to the Council.

(Sept. 20, 1995, D.C. Law 11-46, § 13, 42 DCR 3603; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-340.12.

**Temporary Addition of Section.** — See Historical and Statutory Notes following § 47-340.01.

**Legislative history of Law 11-46.** — For legislative history of D.C. Law 11-46, see Historical and Statutory Notes following § 47-340.01.

## § 47-340.13. Disclaimer.

(a) The issuance of bonds is in the discretion of the District. Nothing contained in this subchapter, including, but not limited to, the bonds, the financing documents, the closing documents or the Council resolution, shall be



construed as obligating the District to issue any bonds for the benefit of any applicant or to participate in or assist any applicant in any way with financing, refinancing, or reimbursing the costs of the development of any project. The applicant shall have no claims for damages or for any other legal or equitable relief against the District, its elected or appointed officials, officers, employees, or agents as a consequence of any failure to issue any bonds for the benefit of any applicant.

(b) The District reserves the right to issue its bonds in the order or priority it determines in its sole and absolute discretion. The District gives no assurance and makes no representations that any portion of any limited amount of bonds, the interest on which is excludable from gross income for federal income tax purposes, will be reserved or will be available at the time of the proposed issuance of any bonds authorized by this subchapter.

(c) The District, by enacting this subchapter or by taking any other action in connection with financing, refinancing, or reimbursing any project, does not provide any assurance that the project is viable or sound, that the applicant is financially sound, or that amounts owing on any bonds or under any loan will be paid. Neither the applicant, any purchaser of the bonds, nor any other person shall rely upon the District with respect to these matters.

(Sept. 20, 1995, D.C. Law 11-46, § 14, 42 DCR 3603; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-340.13.

**Temporary Addition of Section.** — See Historical and Statutory Notes following § 47-340.01.

**Legislative history of Law 11-46.** — For legislative history of D.C. Law 11-46, see Historical and Statutory Notes following § 47-340.01.

## § 47-340.14. Expiration.

If any series of bonds is not issued, sold, and delivered to the original purchaser within 3 years of the date of Council approval of a project pursuant to § 47-340.03, the authorization provided in this subchapter with respect to the issuance, sale, and delivery of such series of bonds shall expire.

(Sept. 20, 1995, D.C. Law 11-46, § 15, 42 DCR 3603; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-340.14.

**Temporary Addition of Section.** — See Historical and Statutory Notes following § 47-340.01.

**Legislative history of Law 11-46.** — For legislative history of D.C. Law 11-46, see Historical and Statutory Notes following § 47-340.01.

## § 47-340.15. Severability.

If any particular provision of this subchapter, or the application thereof to any person or circumstance, is held invalid, the remainder of this subchapter and the application of such provision to other persons or circumstances shall not be affected thereby. If any action or inaction contemplated under this subchapter is determined to be contrary to the requirements of applicable law,



such action or inaction shall not be necessary for the purpose of issuing of the bonds authorized by this subchapter, and the validity of the bonds shall not be adversely affected.

(Sept. 20, 1995, D.C. Law 11-46, § 16, 42 DCR 3603; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-340.15.

**Temporary Addition of Section.** — See Historical and Statutory Notes following § 47-340.01.

**Legislative history of Law 11-46.** — For legislative history of D.C. Law 11-46, see Historical and Statutory Notes following § 47-340.01.

## § 47-340.16. Conflict of laws.

The procedures set forth in this subchapter shall prevail over any other subchapter of the Council or provision of District law that might be deemed to be inconsistent with this subchapter.

(Sept. 20, 1995, D.C. Law 11-46, § 17, 42 DCR 3603; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-340.16.

**Temporary Addition of Section.** — See Historical and Statutory Notes following § 47-340.01.

**Legislative history of Law 11-46.** — For legislative history of D.C. Law 11-46, see Historical and Statutory Notes following § 47-340.01.

### *Subchapter II-C. Industrial Revenue Bond Fees.*

## § 47-340.20. Program fee.

The Mayor may assess fees in connection with the provision to any for-profit or not for profit entity of loans, grants, credit support, revenue bonds, notes or other obligations authorized pursuant to federal law or regulations or any act or resolution of the Council of the District of Columbia. Such fees shall be in amounts reasonably calculated to defray costs associated with developing, implementing, administering, monitoring, evaluating or otherwise supporting such financial assistance for economic development purposes.

(Mar. 20, 1998, D.C. Law 12-60, § 502(b), 44 DCR 7378; Oct. 19, 2000, D.C. Law 13-172, § 2002, 47 DCR 6308.)

**Prior Codifications.** — 1981 Ed., § 47-340.20.

**Effect of amendments.** — D.C. Law 13-172 rewrote this section which formerly provided: “The Mayor may charge a program fee to each entity on whose behalf the District of Columbia issues industrial revenue bonds authorized pursuant to § 47-334 in an amount sufficient to cover costs and expenses incurred by the District, including those incurred in connection with the issuance, sale, and delivery of bonds,

the District’s participation in monitoring the use of bond proceeds and compliance with contracts and public benefit requirements, the maintenance of official records of transactions, the assistance in the redemption, repurchase, and remarketing of the bonds, and other activities related to the loan and disposition of revenue bond proceeds.”

**Temporary Addition of Section.** — For temporary (225 day) addition of subchapter II-C, see § 502 of Fiscal Year 1998 Revised

Budget Support Temporary Act of 1997 (D.C. Law 12-59, March 20, 1998, law notification 45 DCR 2094).

**Emergency legislation.** — For temporary addition of subchapter II-C, see §§ 501 and 502 of the Fiscal Year 1998 Revised Budget Support Emergency Act of 1997 (D.C. Act 12-152, October 17, 1997, 44 DCR 6196), and see §§ 501 and 502 of the Fiscal Year 1998 Revised Budget Support Congressional Review Emergency Act of 1997 (D.C. Act 12-239, January 13, 1998, 45 DCR 508).

For temporary (90-day) amendment of section, see § 2002 of the Fiscal Year 2001 Budget Support Emergency Act of 2000 (D.C. Act 13-376, July 24, 2000, 47 DCR 6574).

For temporary (90 day) amendment of section, see § 2002 of the Fiscal Year 2001 Budget Support Congressional Review Emergency Act of 2000 (D.C. Act 13-438, October 20, 2000, 47 DCR 8740).

**Legislative history of Law 12-60.** — Law 12-60, the “Fiscal Year 1998 Revised Budget Support Act of 1998,” was introduced in Council

and assigned Bill No. 12-353, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on September 8, 1997, and October 7, 1997, respectively. Signed by the Mayor on October 24, 1997, it was assigned Act No. 12-191 and transmitted to both Houses of Congress for its review. D.C. Law 12-60 became effective on March 20, 1998.

**Legislative history of Law 13-172.** — Law 13-172, the “Fiscal Year 2001 Budget Support Act of 2000,” was introduced in Council and assigned Bill No. 13-679, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on May 15, 2000, and June 6, 2000, respectively. Signed by the Mayor on June 26, 2000, it was assigned Act No. 13-175 and transmitted to both Houses of Congress for its review. D.C. Law 13-172 became effective on October 19, 2000.

**Short title.** — Industrial Revenue Bond Fees Act of 1997: Section 501 of D.C. Law 12-60 provided that § 502 of the act may be cited as the “Industrial Revenue Bond Fees Act of 1997.”

## § 47-340.21. Deposit of fees and other monies.

Fees authorized under § 47-340.20 and the earnings thereon, capital, and other funds appropriated by Council, and such additional monies that may be contributed from any lawful source shall be deposited in an account to be known as the District of Columbia Great Streets Development Account (“Account”), that shall be a sub-account of the special account established under § 47-131(c)(4).

(Mar. 20, 1998, D.C. Law 12-60, § 502(b), 44 DCR 7378; Oct. 19, 2000, D.C. Law 13-172, § 2002, 47 DCR 6308; Oct. 3, 2001, D.C. Law 14-28, § 1102, 48 DCR 6981; Oct. 20, 2005, D.C. Law 16-33, § 2112(b), 52 DCR 7503.)

**Prior Codifications.** — 1981 Ed., § 47-340.21.

**Effect of amendments.** — D.C. Law 13-172 inserted “, which shall be a sub-account of the special account”.

D.C. Law 14-28 rewrote the section which had read as follows: “Program fees and the earnings thereon authorized under § 47-340.20 shall be deposited in the industrial revenue bond program fee account, which shall be a sub-account of the special account established under § 47-131(c)(4).”

D.C. Law 16-33 rewrote section, which had read as follows: “Program fees and the earnings thereon authorized under § 47-340.20 shall be deposited in the industrial revenue bond special account established under § 47-131(c)(4).”

**Temporary Addition of Section.** — See Historical and Statutory Notes following § 47-340.20.

**Emergency legislation.** — See Historical and Statutory Notes following § 47-340.20.

For temporary (90-day) amendment of section, see § 2002 of the Fiscal Year 2001 Budget Support Emergency Act of 2000 (D.C. Act 13-376, July 24, 2000, 47 DCR 6574).

For temporary (90 day) amendment of section, see § 2002 of the Fiscal Year 2001 Budget Support Congressional Review Emergency Act of 2000 (D.C. Act 13-438, October 20, 2000, 47 DCR 8740).

For temporary (90 day) amendment of section, see § 1002 of Fiscal Year 2002 Budget Support Emergency Act of 2001 (D.C. Act 14-124, August 3, 2001, 48 DCR 7861).

For temporary (90 day) amendment of section, see § 2112(b) of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

**Legislative history of Law 12-60.** — For legislative history of D.C. Law 12-60, see His-



torical and Statutory Notes following § 47-340.20.

**Legislative history of Law 13-172.** — For Law 13-172, see notes following § 47-340.20.

**Legislative history of Law 14-28.** — For Law 14-28, see notes following § 47-308.01.

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Editor's notes.** — Application of Law 12-60: See Historical and Statutory Notes following § 47-340.20.

Industrial Revenue Bond Fees Act of 1997: See Historical and Statutory Notes following § 47-340.20.

## § 47-340.22. Allocation of funds.

Monies credited to the Account established under § 47-340.21 shall be allocated annually to the Office of the Deputy Mayor for Planning and Economic Development in an aggregate amount that is equal to the total deposits and earnings that have accrued during the immediately preceding fiscal year. Monies remaining in the Account at the end of any fiscal year shall not revert to the General Fund, but shall remain in the Account.

(Mar. 20, 1998, D.C. Law 12-60, § 502(b), 44 DCR 7378; Oct. 20, 1999, D.C. Law 13-38, § 2602, 46 DCR 6373; Oct. 19, 2000, D.C. Law 13-172, § 2002, 47 DCR 6308; Apr. 3, 2001, D.C. Law 13-226, § 4(b), 48 DCR 1603; Oct. 3, 2001, D.C. Law 14-28, § 1102, 48 DCR 6981; Oct. 1, 2002, D.C. Law 14-190, § 1122, 49 DCR 6968; Mar. 13, 2004, D.C. Law 15-105, § 75(b), 51 DCR 881; Oct. 20, 2005, D.C. Law 16-33, § 2112(b), 52 DCR 7503.)

**Prior Codifications.** — 1981 Ed., § 47-340.22.

**Effect of amendments.** — D.C. Law 13-38 and D.C. Law 13-172 rewrote this section which formerly provided: "Subject to authorization in a Congressional appropriations act, funds credited to the Industrial Revenue Bond Program Fee Account shall be allocated annually to the office, agency, or department of the District government responsible for administering the industrial revenue bond program fees and earnings thereon."

D.C. Law 13-226 substituted "funds in excess of \$5 million or in excess of" for "funds in excess of".

D.C. Law 14-28 rewrote the section which had read as follows: "Beginning in Fiscal year 2001, funds credited to the industrial revenue bond program fee account established under § 47-340.21 shall be allocated annually to the Office of the Deputy Mayor for Planning and Economic Development in an aggregate amount that is equal to the program fees paid and the earnings that have accrued during the immediately preceding fiscal year, provided that funds in excess of those needed for the purposes set forth in § 47-340.23 shall be part of the local funds within the General Fund."

D.C. Law 14-190 substituted "at the designation of the Council, or at the designation of the Mayor or Deputy Mayor for Planning and Economic Development, with the approval of the Council" for "for Fiscal Year 2002".

D.C. Law 15-105 validated a previously made technical correction.

D.C. Law 16-33 rewrote section, which had read as follows: "Funds credited to the industrial revenue bond special account established under § 47-131(c)(4) shall be allocated for each fiscal year to the Office of the Deputy Mayor for Planning and Economic Development or, at the designation of the Council, or at the designation of the Mayor or Deputy Mayor for Planning and Economic Development, with the approval of the Council, for economic development programs or initiatives in other District agencies in an amount equal to the program fees paid and the earnings that have accrued, and the program fees expected to be paid and the earnings that are expected to accrue, during the immediately preceding fiscal year, plus any other funds remaining in the account; provided, that funds which are credited to the special account but which are not designated for expenditure under an approved spending plan under § 47-340.23 by the beginning of the fiscal year shall become part of the local funds within the General Fund."

**Temporary Addition of Section.** — See Historical and Statutory Notes following § 47-340.20.

**Emergency legislation.** — See Historical and Statutory Notes following § 47-340.20.

For temporary (90-day) addition of section, see § 2602 of the Service Improvement and Fiscal Year 2000 Budget Support Emergency



Act of 1999 (D.C. Act 13-110, July 28, 1999, 46 DCR 6320).

For temporary (90-day) amendment of section, see § 2002 of the Fiscal Year 2001 Budget Support Emergency Act of 2000 (D.C. Act 13-376, July 24, 2000, 47 DCR 6574).

For temporary (90-day) amendment of section, see § 4 of the Fiscal Year 2001 Budget Support Second Emergency Amendment Act of 2000 (D.C. Act 13-393, August 14, 2000, 47 DCR 7032).

For temporary (90 day) amendment of section, see § 2002 of the Fiscal Year 2001 Budget Support Congressional Review Emergency Act of 2000 (D.C. Act 13-438, October 20, 2000, 47 DCR 8740).

For temporary (90 day) amendment of section, see § 4(b) of the Redevelopment Land Agency Disposition Review Congressional Review Emergency Amendment Act of 2000 (D.C. Act 13-524, January 11, 2001, 48 DCR 624).

For temporary (90 day) amendment of section, see § 1002 of Fiscal Year 2002 Budget Support Emergency Act of 2001 (D.C. Act 14-124, August 3, 2001, 48 DCR 7861).

For temporary (90 day) amendment of section, see § 1122 of Fiscal Year 2003 Budget Support Emergency Act of 2002 (D.C. Act 14-453, July 23, 2002, 49 DCR 8026).

For temporary (90 day) amendment of section, see § 2112(b) of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

**Legislative history of Law 12-60.** — For legislative history of D.C. Law 12-60, see Historical and Statutory Notes following § 47-340.20.

**Legislative history of Law 13-38.** — Law 13-38, the “Service Improvement and Fiscal Year 2000 Budget Support Act of 1999,” was introduced in Council and assigned Bill No. 13-161, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on May 11, 1999, and June 22,

1999, respectively. Signed by the Mayor on July 8, 1999, it was assigned Act No. 13-111 and transmitted to both Houses of Congress for its review. D.C. Law 13-38 became effective on October 20, 1999.

**Legislative history of Law 13-172.** — For Law 13-172, see notes following § 47-340.20.

**Legislative history of Law 13-226.** — Law 13-226, the “Redevelopment Land Agency Disposition Review Amendment Act of 2000,” was introduced in Council and assigned Bill No. 13-185, which was referred to the Committee Economic Development. The Bill was adopted on first and second readings on July 11, 2000, and November 8, 2000, respectively. Signed by the Mayor on November 29, 2000, it was assigned Act No. 13-498 and transmitted to both Houses of Congress for its review. D.C. Law 13-226 became effective on April 3, 2001.

**Legislative history of Law 14-28.** — For Law 14-28, see notes following § 47-308.01.

**Legislative history of Law 14-190.** — For Law 14-190, see notes following § 47-308.01.

**Legislative history of Law 15-105.** — Law 15-105, the “Technical Amendments Act of 2003,” was introduced in Council and assigned Bill No. 15-437, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 4, 2003, and December 2, 2003, respectively. Signed by the Mayor on January 6, 2004, it was assigned Act No. 15-291 and transmitted to both Houses of Congress for its review. D.C. Law 15-105 became effective on March 13, 2004.

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Short title.** — Short title of subtitle B of title XI of Law 14-190: Section 1121 of D.C. Law 14-190 provided that subtitle B of title XI of the act may be cited as the Industrial Revenue Bond Special Account Act of 2002.

**Editor’s notes.** — Industrial Revenue Bond Fees Act of 1997: See Historical and Statutory Notes following § 47-340.20.

## § 47-340.23. Use of funds allocated.

(a) Account monies allocated to the Office of the Deputy Mayor for Planning and Economic Development as provided in § 47-340.22 may be used to pay the costs of operating and administering economic development programs, including the provision of credit support or enhancement, loans, grants, contracts, and the implementation of other initiatives that are consistent with and in furtherance of the purposes of this subtitle or § 47-340.20. The Mayor shall report to the Council the details of how these monies are used in accordance with this subtitle or § 47-340.20.

(b)(1) Prior to the expenditure of funds from the Account, the Mayor shall transmit legislation to the Council to:

(A) Foster increased commercial, residential, cultural, and industrial

development to promote the health, safety, and general welfare of the citizens of the District, and to help expand the tax base through the use of loans, the abatement or forgiveness of District taxes, the award of grants and employment tax credits, and the provision of other direct and indirect forms of economic assistance;

(B) Provide economic assistance to enable the District to leverage its limited financial resources more efficiently and effectively assist in financing the costs of capital improvements that are essential to the development or redevelopment of certain commercial areas; and

(C) Provide a means to defray the costs of enhancing economic value and public enjoyment; to attract and retain businesses; stimulate the development of commercial, residential, recreational, and cultural projects; increase employment; promote and expand trade, tourism, and other industries, and contribute to community betterment.

(2) No funds shall be expended from the Account until the Council has approved legislation to authorize their expenditure.

(c)(1) Notwithstanding subsections (a) or (b) of this section, the funds described in the fiscal year 2006 capital budget as the Neighborhood Revitalization Commercial Corridor Redevelopment Project (EB3-04) in the amount of \$16.6 million shall be expended in the amount of \$4.5 million in accordance with the Great Streets spending plan established by the Deputy Mayor for Planning and Economic Development in May 2006, including:

(A) The amount of \$2 million shall be allocated to the Deputy Mayor for Planning and Economic Development for the purposes of acquisition and redevelopment of property in the 3200 block of Georgia Avenue, N.W., for redevelopment of Park Morton under the Great Streets initiative;

(B) The amount of \$2 million shall be allocated to the Deputy Mayor for Planning and Economic Development for the purposes of gap financing economic assistance for the proposed Radio One development at 7th and S Streets, N.W.;

(C) The amount of \$500,000 shall be allocated to the Deputy Mayor for Planning and Economic Development for grants to property owners for facade and other improvements along H Street, N.E., the 1100 block of Good Hope Road, S.E., the 3600 block of Georgia Avenue, N.W.[.], and the 3100 block of Martin Luther King, Jr. Avenue, S.E.; and

(D) The amount of \$1 million shall be allocated to the Deputy Mayor for Planning and Economic Development for the purposes of property acquisition and gap financing economic assistance in the 1900 block of Martin Luther King, Jr. Avenue, S.E.[.];

(2) The remaining \$12.1 million shall be spent on Great Streets supporting projects in the following manner:

(A) The amount of \$1.5 million shall be allocated to the Deputy Mayor for Planning and Economic Development for the purposes of issuing a grant to the Lincoln Theater to provide for repairs to the roof and other capital maintenance issues;

(B) The amount of \$500,000 shall be allocated to the Anacostia Waterfront Corporation to begin a planning process for the construction of a new pedestrian bridge in Ward 7;



(C) The amount of \$950,000 shall be allocated to the Deputy Mayor for Planning and Economic Development for the purposes of issuing a grant to the Historical Society of Washington;

(D) The amount of \$450,000 shall be allocated to the Department of Parks and Recreation for the purposes of renovating the S and T Street, N.W., parks;

(E) The amount of \$600,000 shall be allocated to the Department of Parks and Recreation for the purposes of a complete playground renovation at the Hearst Recreation Center, 3950 37th Street, N.W.;

(F) The amount of \$100,000 shall be allocated to the Department of Parks and Recreation for the purposes of designing and building a new state-of-the-art ADA-compliant recreation center at Ft. Stanton Recreation Park, 1812 Erie Street, S.E.;

(G) The amount of \$100,000 shall be allocated to the Department of Parks and Recreation for the purposes of a renovation project at North Michigan Park Recreation Center, 1333 Emerson Street, N.E.;

(H) The amount of \$150,000 shall be allocated to the Department of Parks and Recreation for the purposes of designing and building a new state-of-the-art ADA-compliant recreation center at Douglas Recreation Center, 2100 Stanton Terrace, S.E.;

(I) The amount of \$100,000 shall be allocated to the Department of Parks and Recreation for the Marvin Gaye Recreation Center;

(J) The amount of \$1.2 million shall be allocated to the Deputy Mayor for Planning and Economic Development for purposes of acquisition along with facade and other improvements on Nannie Helen Burroughs Avenue, N.E.;

(K) The amount of \$2 million shall be allocated to the Deputy Mayor for Planning and Economic Development for purposes of acquisition along with facade and other improvements on Pennsylvania Avenue, S.E., from the 2300 block of Pennsylvania Avenue, S.E., to Southern Avenue, S.E., at the Maryland line;

(L) The amount of \$500,000 shall be allocated to begin the planning process and development of an environment education center and other environmental improvements at Kingman Island;

(M) The amount of \$200,000 shall be allocated to the Department of Parks and Recreation for purposes of accelerating the designing and building of a new state-of-the-art ADA-compliant recreation center at Ridge Road Recreation Center at Ridge Road and Burns Street, S.E.;

(N) The amount of \$500,000 shall be allocated to the Deputy Mayor for Planning and Economic Development for purposes of issuing a grant to the Boys and Girls Club of Metropolitan Washington #10 located at 2500 14th Street, N.W., for the purpose of capital improvements.;

(O) [Repealed].

(P) The amount of \$500,000 shall be allocated to the Deputy Mayor for Planning and Economic Development for purposes of site acquisition and site preparation costs for a sit-down restaurant in the 5800 block of Georgia Avenue, N.W.;

(Q) The amount of \$1.5 million shall be allocated to the Deputy Mayor for Planning and Economic Development for the purpose of issuing a grant to



Georgia Avenue Investment Partners, LLC, to support the development of affordable housing units or neighborhood-serving retail in the 6400 block of Georgia Avenue, N.W.;

(R) The amount of \$100,000 shall be allocated to the Department of Parks and Recreation for the purposes of designing and building a new state of the art ADA compliant recreation center at Ft. Greble Recreation Center, Martin Luther King Jr. Ave. and Elmira St, S.W.; and

(S) The amount of \$150,000 shall be allocated to the Department of Parks and Recreation for the purposes of issuing a grant to the Marvin Deal African Heritage Dancers for studio/theater build-out expenses on newly acquired property at 1230 Good Hope Road, S.E.

(Mar. 20, 1998, D.C. Law 12-60, § 502(b), 44 DCR 7378; Oct. 19, 2000, D.C. Law 13-172, § 2002, 47 DCR 6308; Oct. 3, 2001, D.C. Law 14-28, § 1102, 48 DCR 6981; Oct. 20, 2005, D.C. Law 16-33, § 2112(b), 52 DCR 7503; Mar. 2, 2007, D.C. Law 16-191, § 5(m), 53 DCR 6794; Mar. 2, 2007, D.C. Law 16-192, § 2102, 53 DCR 6899; Mar. 14, 2007, D.C. Law 16-294, §§ 8(b), 11, 54 DCR 1086; Apr. 15, 2008, D.C. Law 17-141, § 2, 55 DCR 2223; Mar. 25, 2009, D.C. Law 17-353, §§ 170(a), 252, 56 DCR 1117.)

**Prior Codifications.** — 1981 Ed., § 47-340.23.

**Effect of amendments.** — D.C. Law 13-172 rewrote this section which formerly provided: “Funds allocated to the office, agency, or department described in § 47-340.22 may be used to defray costs of operating and administering the industrial revenue bond program and to further the purposes of § 47-334.”

D.C. Law 14-28 rewrote the section which had read as follows: “Beginning in Fiscal year 2001, funds allocated to the Office of the Deputy Mayor for Planning and Economic Development as provided in § 47-340.22 may be used to pay the costs of operating and administering economic development programs, including the provision of credit support, loans, grants, contracts, and the implementation of other initiatives that are consistent with, and in furtherance of the purposes of § 1-204.90, provided that a spending plan for these economic development programs has been approved by the Mayor and the Council and certified by the Chief Financial Officer.”

D.C. Law 16-33 rewrote section, which had read as follows: “Funds allocated to the Office of the Deputy Mayor for Planning and Economic Development or for economic development programs or initiatives in other District agencies as provided in § 47-340.22 may be used to pay the costs of operating and administering economic development programs, including the provision of credit support, loans, grants, contracts, and the implementation of other initiatives that are consistent with, and in furtherance of, the purposes of § 47-334, and for other initiatives to advance economic development in

the District; provided, that a detailed spending plan for these economic development programs and initiatives has been approved by the Council and certified by the Chief Financial Officer.”

D.C. Law 16-191, in subsec. (a), validated a previously made technical correction.

D.C. Law 16-192 added subsec. (c).

D.C. Law 16-294, in subsec. (c)(1)(A), substituted “\$2 million shall be allocated to the Deputy Mayor for Planning and Economic Development for the purposes of acquisition and redevelopment of property in the 3200 block of Georgia Avenue, N.W., for redevelopment of Park Morton under the Great Streets initiative” for “\$1 million shall be allocated to the Deputy Mayor for Planning and Economic Development for the purposes of acquisition and redevelopment of property in the 3300 block of Georgia Avenue, N.W.”; in subsec. (c)(2)(C), deleted “million” following “\$950,000”; repealed subsec. (c)(2)(O); and, in subsec. (c)(2)(Q), substituted “6400 block” for “6500 block”. Prior to repeal, subsec. (c)(2)(O) read as follows: “(O) The amount of \$1 million shall be allocated to the Deputy Mayor for Planning and Economic Development for the purposes of gap financing economic assistance for proposed mixed use development in the 3600 block of Georgia Avenue, N.W.”.

D.C. Law 17-141 amended subsec. (c)(2)(Q), which had read as follows: “(Q) The amount of \$1.5 million shall be allocated to the Deputy Mayor for Planning and Economic Development for the purposes of affordable housing and neighborhood-serving retail assistance for a mixed use development of residential and retail uses in the 6400 block of Georgia Avenue, N.W.”

D.C. Law 17-353 validated a previously made technical correction in subsec. (c)(1)(A), and in subsec. (c)(2)(C), substituted “of \$950,000” for “of \$950,000 million”.

**Temporary Amendment of Section.** — Section 3 of D.C. Law 17-190, in subsec. (c)(1)(B), substituted “for the purposes of issuing a grant to support” for “for the purposes of gap financing economic assistance for”.

Section 4(b) of D.C. Law 17-190 provided that the act shall expire after 225 days of its having taken effect.

Section 2 of D.C. Law 17-327 repealed section 3016 of D.C. Law 17-219.

Section 4(b) of D.C. Law 17-327 provided that the act shall expire after 225 days of its having taken effect.

**Temporary Addition of Section.** — See Historical and Statutory Notes following § 47-340.20.

**Emergency legislation.** — See Historical and Statutory Notes following § 47-340.20.

For temporary (90-day) amendment of section, see § 2002 of the Fiscal Year 2001 Budget Support Emergency Act of 2000 (D.C. Act 13-376, July 24, 2000, 47 DCR 6574).

For temporary (90 day) amendment of section, see § 2002 of the Fiscal Year 2001 Budget Support Congressional Review Emergency Act of 2000 (D.C. Act 13-438, October 20, 2000, 47 DCR 8740).

For temporary (90 day) amendment of section, see § 1002 of Fiscal Year 2002 Budget Support Emergency Act of 2001 (D.C. Act 14-124, August 3, 2001, 48 DCR 7861).

For temporary (90 day) amendment of section, see § 2112(b) of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

For temporary (90 day) amendment of section, see § 2102 of Fiscal Year 2007 Budget Support Emergency Act of 2006 (D.C. Act 16-477, August 8, 2006, 53 DCR 7068).

For temporary (90 day) amendment of section, see § 2102 of Fiscal Year 2007 Budget Support Congressional Review Emergency Act of 2006 (D.C. Act 16-499, October 23, 2006, 53 DCR 8845).

For temporary (90 day) amendment of section, see § 2102 of Fiscal Year 2007 Budget Support Congressional Review Emergency Act of 2007 (D.C. Act 17-1, January 16, 2007, 54 DCR 1165).

For temporary (90 day) amendment of section, see § 3 of Howard Theatre and Seventh Street, N.W., Revitalization Grants Approval Emergency Act of 2008 (D.C. Act 17-348, April 14, 2008, 55 DCR 5202).

For temporary (90 day) addition, see § 3016 of Fiscal Year 2009 Budget Support Emergency Act of 2008 (D.C. Act 17-468, July 28, 2008, 55 DCR 8746).

For temporary (90 day) repeal of section 3016 of D.C. Law 17-219, see § 2 of Boys and Girls Clubs of Greater Washington Plan Repeal Emergency Amendment Act of 2008 (D.C. Act 17-595, December 8, 2008, 55 DCR 12814).

For temporary (90 day) repeal of section 3016 of D.C. Law 17-219, see § 2 of Boys and Girls Clubs of Greater Washington Plan Repeal Congressional Review Emergency Amendment Act of 2009 (D.C. Act 18-10, February 23, 2009, 56 DCR 1913).

**Legislative history of Law 12-60.** — For legislative history of D.C. Law 12-60, see Historical and Statutory Notes following § 47-340.20.

**Legislative history of Law 13-172.** — For Law 13-172, see notes following § 47-340.20.

**Legislative history of Law 14-28.** — For Law 14-28, see notes following § 47-308.01.

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Legislative history of Law 16-191.** — For Law 16-191, see notes following § 47-308.02.

**Legislative history of Law 16-192.** — Law 16-192, the “Fiscal Year Budget Support Act of 2006”, was introduced in Council and assigned Bill No. 16-679, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on May 9, 2006, and June 6, 2006, respectively. Signed by the Mayor on August 8, 2006, it was assigned Act No. 16-476 and transmitted to both Houses of Congress for its review. D.C. Law 16-192 became effective on March 2, 2007.

**Legislative history of Law 16-294.** — Law 16-294, the “Second Technical Amendments Act of 2006”, was introduced in Council and assigned Bill No. 16-996, which was referred to Committee on the Whole. The Bill was adopted on first and second readings on November 14, 2006, and December 5, 2006, respectively. Signed by the Mayor on December 28, 2006, it was assigned Act No. 16-653 and transmitted to both Houses of Congress for its review. D.C. Law 16-294 became effective on March 14, 2007.

**Legislative history of Law 17-141.** — Law 17-141, the “Park East Assistance Act of 2008”, was introduced in Council and assigned Bill No. 17-480 which was referred to the Committee on Economic Development. The Bill was adopted on first and second readings on January 8, 2008, and February 5, 2008, respectively. Signed by the Mayor on February 22, 2008, it was assigned Act No. 17-293 and transmitted to both Houses of Congress for its review. D.C. Law 17-141 became effective on April 15, 2008.

**Legislative history of Law 17-353.** — For Law 17-353, see notes following § 47-308.

**Short title.** — Short title: Section 2101 of D.C. Law 16-192 provided that subtitle H of title II of the act may be cited as the “Great Streets Capital Expenditures Act of 2006”.



Short title: Section 3015 of D.C. Law 17-219 provided that subtitle G of title III of the act may be cited as the “Plan for Boys and Girls Clubs Act of 2008”.

**Editor’s notes.** — Section 3016 of D.C. Law 17-219 provided: “Notwithstanding any other provision of law, no funds appropriated in fiscal year 2009 shall be used by or for the Boys and Girls Clubs of Greater Washington (“Clubs”) prior to the approval of a plan for its real property located within the District of Columbia. The Plan shall be prepared by the Clubs

and shall ensure the future of the Eastern Branch, Jelleff Branch Clubhouse #8, Mary & Daniel Loughran Clubhouse #10, and the Robert V. Murray Clubhouse #11 as viable facilities to provide recreational, social, educational, and developmental services to all District residents and the communities in which they exist. The plan shall be submitted by the Clubs to the Council and approved by act.”

Industrial Revenue Bond Fees Act of 1997: See Historical and Statutory Notes following § 47-340.20.

## *Subchapter II-D. Income Tax Secured Bonds.*

### **§ 47-340.26. Definitions.**

For the purposes of this subchapter, the term:

(1) “Additional Bonds” means additional District of Columbia Income Tax Secured Bonds that may be issued pursuant to § 1-204.90 and this subchapter and in satisfaction of the tests for additional bonds established in the Financing Documents, with a parity claim with the initial series of District of Columbia Income Tax Secured Bonds on the Available Tax Revenues.

(2) “Authorized Delegate” means the Chief Financial Officer, the Treasurer, or any Deputy Mayor in the executive office of the Mayor to whom the Mayor has delegated any of the Mayor’s functions under this subchapter pursuant to § 1-204.22(6).

(3) “Available Business Franchise Tax Revenues” means the revenues resulting from the imposition of the Business Franchise Tax, including penalty and interest charges.

(4) “Available Income Tax Revenues” means the revenues resulting from the imposition of the Income Tax, including penalty and interest charges.

(5) “Available Tax Revenues” means the sum of the Available Business Franchise Tax Revenues and Available Income Tax Revenues generated and to be generated in any fiscal year of the District.

(6) “Bond Counsel” means a firm of attorneys designated as bond counsel from time to time by the Chief Financial Officer.

(7) “Bonds” means the initial series of District of Columbia Income Tax Secured Bonds and Additional Bonds, notes, or other obligations, including refunding bonds, notes, bond anticipation notes, and other obligations, in one or more series, and Subordinated Bonds, authorized to be issued pursuant to § 1-204.90 and this subchapter.

(8) “Business Franchise Tax” means the franchise tax imposed on corporations and unincorporated businesses pursuant to §§ 47-1807.02, 47-1808.03, and 47-1817.06.

(9) “Capital Projects” means the payment of the cost of acquiring, undertaking, or financing capital projects authorized by § 1-204.90 for general governmental and enterprise purposes, including reimbursing amounts temporarily advanced from the General Fund of the District of Columbia, any enterprise fund, or other fund or account of the District.



(10) "Chief Financial Officer" means the Chief Financial Officer of the District of Columbia established by § 1-204.24a(a).

(11) "Closing Documents" means all documents and agreements, other than Financing Documents, that may be necessary or appropriate to issue, sell, and deliver the bonds, and includes agreements, certificates, letters, opinions, forms, receipts, and other similar instruments.

(12) "Collection Agent" means the financial institution acting as the trustee or as agent for the trustee and chosen by the Chief Financial Officer to receive Available Tax Revenues, to deposit those payments into the Income Tax Secured Bond Fund, to transfer the amounts to the trustee sufficient to pay debt service on the bonds, and to otherwise comply with the Financing Documents.

(13) "Financing Documents" means the documents, other than Closing Documents, that relate to the financing or refinancing of transactions to be effected through the issuance, sale, and delivery of any series of the bonds, including contracts or agreements for an escrow agent, trustee, Collection Agent, registrar, Paying Agent, underwriting, legal services, accounting, financial advisory services, bond insurance or other credit enhancement or liquidity agreements, printing, or placement of any investment or obligation or program of investment, including any offering document, contract based on interest rate, currency, cash flow, or other basis, including Hedge Agreements, and any required supplements to any such documents.

(14) "Hedge Agreement" means any financial arrangement that is a cap, floor, or collar; forward rate; future rate; swap, which swap may be based on an amount equal to either a principal amount or a notional principal amount relating to all or a portion of the principal amount of a series of bonds; asset, index, price, or market-linked transaction or agreement; other interest rate exchange or rate protection transaction agreement; other similar transactions, however designated; any combination thereof; any option with respect thereto; or any similar arrangement, which is executed by the District for purposes of debt management, including managing interest rate fluctuations on bonds, but not for purposes of speculation.

(15) "Income Tax" means the income tax imposed on individuals by § 47-1806.03.

(16) "Income Tax Secured Bond Fund" means the Income Tax Secured Bond Fund established by § 47-340.27.

(17) "Outstanding Debt" means any tax-supported indebtedness of the District outstanding at any time, including any outstanding general obligation bonds and bond anticipation notes issued by the District, and certificates of participation issued on behalf of the District, but, unless expressly authorized by Council resolution, the term "Outstanding Debt" shall not include tax increment financing and payment in lieu of taxation debt.

(18) "Parity Bonds" means, collectively, the initial series of District of Columbia Income Tax Secured Bonds and any Additional Bonds.

(19) "Paying Agent" means the District or any bank, trust company, or national banking association designated to serve in that capacity by the Chief Financial Officer, and may be the trustee.

(20) “Registrar” means the District or any bank, trust company, or national banking association designated to serve in that capacity by the Chief Financial Officer, and may be the trustee.

(21) “Subordinated Bonds” means any bonds, notes, or other obligations, including refunding bonds, notes, bond anticipation notes, and other obligation, the payment of debt service thereon which is subordinate to the Parity Bonds and which are not equally and ratably secured with the Parity Bonds by the Available Tax Revenues and other funds in and to be in the Income Tax Secured Bond Fund.

(22) “Treasurer” means the District of Columbia Treasurer established by § 1-204.24a(c)(3).

(23) “Trustee” means the trustee for the bond owners selected by the Chief Financial Officer for one or more series of bonds.

(Oct. 22, 2008, D.C. Law 17-254, § 2(b), 55 DCR 9275; Nov. 16, 2011, D.C. Law 19-39, § 2(a), 58 DCR 8471.)

**Effect of amendments.** — D.C. Law 19-39, in par. (9), substituted “undertaking, or financing” for “undertaking or financing” and deleted “, and the refunding of Outstanding Debt” following “account of the District”.

**Temporary Addition of Section.** — Sections 2 and 3 of D.C. Law 18-307 added sections to read as follows: “Sec. 2. Pursuant to and in accordance with Subchapter II-D of Chapter 3 of Title 47 of the District of Columbia Official Code (‘Subchapter II-D’), the Council approves the issuance and sale of income tax secured revenue bonds in an aggregate principal amount not to exceed \$70 million to refund certain outstanding income tax secured revenue bonds of the District (‘Outstanding Bonds’), plus pay all costs related to structuring, issuing, securing, marketing, delivering, and maintaining the bonds issued pursuant to this act, including, without limitation, capitalized interest, underwriting fees, discounts and expenses, rating agency fees, legal fees, accounting fees, financial advisory fees, trustee and paying agent fees, collection agent fees, bond insurance and other credit enhancement fees, liquidity enhancement fees, swap termination fees, printing costs and expenses, costs of refunding and repayment of the Outstanding Bonds, and all other costs incurred by the District pursuant to the financing documents related to the bonds.”

“Sec. 3. Pursuant to and in accordance with Subchapter II-D and other applicable law, the Council approves the execution and delivery by the Mayor, or the Chief Financial Officer, as applicable, on behalf of the District, of any agreement, document, contract, and instrument, including any amendment of or supplement to any such agreement, document, contract, or instrument, in connection with the issuance, sale, and delivery of the income tax

secured revenue bonds pursuant to Subchapter II-D.”

Section 5(b) of D.C. Law 18-307 provided that the act shall expire after 225 days of its having taken effect.

Section 2 of D.C. Law 18-308 added a section to read as follows: “Sec. 2. Pursuant to and in accordance with the Income Tax Secured Bond Authorization Act of 2008, effective October 22, 2008 (D.C. Law 17-254; D.C. Official Code § 47-340.26 et seq.) (‘Income Tax Bond Act’), the Council approves the issuance and sale of income tax secured revenue bonds in an aggregate principal amount not to exceed \$340 million to fund certain capital projects listed in section 4, plus the costs and expenses authorized by the Income Tax Bond Act, including, but not limited to, reimbursing amounts temporarily advanced from the General Fund of the District of Columbia, any enterprise fund, or other fund or account of the District, plus an amount equal to all costs related to structuring, issuing, securing, marketing, delivering, and maintaining the bonds issued pursuant to this act, including, without limitation, capitalized interest, underwriting fees, discounts and expenses, rating agency fees, legal fees, accounting fees, financial advisory fees, trustee and paying agent fees, collection agent fees, bond insurance and other credit enhancement fees, liquidity enhancement fees, swap termination fees, printing costs and expenses, redemption premiums and other costs of redemption, and all other costs incurred by the District pursuant to the financing documents related to the bonds.”

Section 8(b) of D.C. Law 18-308 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) addition of sections, see §§ 2 and 3 of



Fiscal Year 2011 Income Tax Secured Revenue Refunding Bond Issuance Emergency Approval Act of 2010 (D.C. Act 18-606, November 17, 2010, 57 DCR 11052).

For temporary (90 day) addition of section, see § 2 of Fiscal Year 2011 Income Tax Secured Revenue Bond and General Obligation Bond Issuance Emergency Approval Act of 2010 (D.C. Act 18-607, November 17, 2010, 57 DCR 11054).

For temporary (90 day) amendment of section, see § 2(a) of Income Tax Secured Bond Authorization Emergency Act of 2011 (D.C. Act 19-145, August 9, 2011, 58 DCR 6823).

For temporary (90 day) amendment of section, see § 2(a) of Income Tax Secured Bond Authorization Congressional Review Emergency Act of 2011 (D.C. Act 19-216, October 31, 2011, 58 DCR 9348).

**Legislative history of Law 17-254.** — Law 17-254, the “Income Tax Secured Bond Authorization Act of 2008”, was introduced in Council and assigned Bill No. 17-741 which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on July 1, 2008, and July 15, 2008, respectively. Signed by the Mayor on August 4,

2008, it was assigned Act No. 17-501 and transmitted to both Houses of Congress for its review. D.C. Law 17-254 became effective on October 22, 2008.

**Legislative history of Law 19-39.** — Law 19-39, the “Income Tax Secured Bond Authorization Act of 2011”, was introduced in Council and assigned Bill No. 19-193, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on July 12, 2011, and September 20, 2011, respectively. Signed by the Mayor on September 27, 2011, it was assigned Act No. 19-154 and transmitted to both Houses of Congress for its review. D.C. Law 19-39 became effective on November 16, 2011.

**Delegation of Authority.** — Delegation of Authority Under the Income Tax Secured Bond Authorization Act of 2008, effective October 22, 2008 (D.C. Law 17-254, D.C. Official Code §§ 47-340.26-36), see Mayor’s Order 2009-30, March 18, 2009 (56 DCR 6766).

Delegation of Authority Under the Income Tax Secured Bond Authorization Act of 2008, effective October 22, 2008 (D.C. Law 17-254; D.C. Official Code §§ 47-340.26—47-340.36), see Mayor’s Order 2011-159, September 20, 2011 (58 DCR 8413).

## § 47-340.27. Creation of the Income Tax Secured Bond Fund.

(a) There is established separate and apart from the General Fund of the District of Columbia as a nonlapsing fund the Income Tax Secured Bond Fund.

(b) The Chief Financial Officer may direct every taxpayer that is required to pay either the Business Franchise Tax or the Income Tax, or both, every employer that pays withholding taxes for employees, and every taxpayer that is required to pay estimated taxes, to send the payments directly to the Collection Agent for collection and disbursement in accordance with the collection instructions of the Chief Financial Officer. Tax payments or collections received pursuant to enforcement actions, received from bankruptcy trustees or through the Bankruptcy Courts, received as a result of garnished wages, received as collections of tax levies, including the release of liens at real estate closings, received as a result of closures of estates, received as a result of the sales of businesses or involving business licenses, and other collection activities shall be collected by the Chief Financial Officer and forwarded to the Collection Agent or deposited in the Income Tax Secured Bond Fund upon reconciliation of accounts.

(c) The Collection Agent may collect, receive, hold, and invest Available Tax Revenues, and shall promptly deposit all receipts into the Income Tax Secured Bond Fund, along with any other taxes or fees specifically designated by law for deposit in the Income Tax Secured Bond Fund.

(d) The Mayor, through the Chief Financial Officer, shall pledge, assign, and create a security interest in the Available Tax Revenues and all other funds in the Income Tax Secured Bond Fund, or any sub-account within the Income Tax



Secured Bond Fund, for the payment of the costs of carrying out any of the purposes described in subsection (g) of this section without further action by the Council as permitted by § 1-204.90. If bonds are issued, the payment shall be made in accordance with the provisions of the Financing Documents entered into by the District in connection with the issuance of the bonds. If the District pays or makes provision to pay, pursuant to the terms of the Financing Documents, to the owners of bonds the principal or redemption price, and the interest due or to become due, at the time and in the manner stipulated, such that the bonds are no longer considered outstanding within the meaning of the Financing Documents, the security interest in the Available Tax Revenues shall be terminated with respect to the defeased bonds.

(e) Although payment of debt service on the bonds does not require an appropriation for that purpose pursuant to § 1-204.90, the Council may, in establishing the annual budget of the District, include in each annual budget for a fiscal year of the District sufficient funds to pay the principal of, and interest on, the bonds becoming due and payable for any reason during that fiscal year.

(f) When deposited in the Income Tax Secured Bond Fund, the funds in the Fund and all investments or earnings on these funds shall be irrevocably dedicated and pledged to the payment of the principal of, and interest on, the bonds and costs as provided in subsection (g) of this section. Any escrow or other agreement entered into by the Chief Financial Officer providing for holding funds for the benefit of the holders of the bonds shall be maintained so long as any of the bonds are outstanding under the Financing Documents.

(g) The funds deposited in the Income Tax Secured Bond Fund may be used to pay:

(1) The costs of the Collection Agent and the trustee; and

(2) Debt service on the bonds and such other applications as may be set forth in the Financing Documents.

(h) If, at the end of any period determined in the Financing Documents, the balance of cash and investments in the Income Tax Secured Bond Fund exceeds the amount required to be held in the Income Tax Secured Bond Fund pursuant to the Financing Documents, the excess shall be transferred to the unrestricted fund balance of the General Fund of the District of Columbia in accordance with the Financing Documents.

(Oct. 22, 2008, D.C. Law 17-254, § 2(b), 55 DCR 9275.)

**Legislative history of Law 17-254.** — For Law 17-254, see notes following § 47-340.26.

## § 47-340.28. Bond authorization.

(a) Bonds in one or more series may be issued in an aggregate principal amount not to exceed \$5,180,985,000 to fund costs of Capital Projects (including the issuance of both refunding bonds and bond anticipation notes from time to time in one or more series to refund Outstanding Debt or in anticipation of all or a portion of the bonds; provided, that the principal amount of any such refunded bonds or notes shall not be included in the total amount authorized

by this section upon their repayment or defeasance from bond proceeds), such amount being subject to adjustment by Council act, plus an amount equal to all costs and expenses of issuing and delivering the bonds, including, but not limited to, underwriting, rating agency fees, legal fees, accounting fees, financial advisory fees, bond insurance and other credit enhancements, liquidity enhancements, printing costs and expenses, capitalized interest, establishment of debt service or other reserve funds related to the bonds, the payment of costs of contracts described in § 47-340.30(f), and the payments of other debt program related costs as provided in the related agreements.

(b) The bonds authorized pursuant to subsection (a) of this section shall be tax-exempt or taxable as the Chief Financial Officer shall determine and shall be payable in the manner set forth in § 47-340.31.

(b-1) The Council shall specify and determine from time to time, by resolution, the capital projects for which the issuance of bonds shall be authorized.

(c) The Chief Financial Officer may pay from the proceeds of the bonds the costs and expenses specified in subsection (a) of this section, plus amounts, to the extent necessary, to establish or maintain the tax-exempt status of any of the bonds issued on a tax-exempt basis.

(d) Subject to applicable law, the District shall maintain a capital projects fund separate and apart from other funds of the District into which it will deposit the proceeds of any series of the bonds, less any capitalized interest accrued interest and costs of issuance. The District shall expend the bond proceeds only to finance Capital Projects or to refund Outstanding Debt. Subject to applicable law, the proceeds of any series of the bonds may be escrowed in appropriate accounts with escrow agents or the trustee to be applied to the applicable purposes. Interest or other investment earnings of proceeds in the capital projects fund shall be credited to the General Fund of the District of Columbia, subject to provisions for any deposit requirements to a rebate fund or other funds in accordance with agreements pertaining to the bonds.

(e) The costs of the capital projects approved for financing pursuant to this section and prior bond acts that have become law, which are paid originally from the General Fund of the District of Columbia, any enterprise fund, or other fund or account of the District, are reasonably expected to be reimbursed in whole or in part with the proceeds of the bonds in the maximum amount set forth in subsection (a) of this section. The Council declares that it is the intent of the District, in accordance with Treas. Reg. § 1.150-2, issued under the Internal Revenue Code of 1986, approved October 22, 1986 (100 Stat. 2085; 26 U.S.C. § 1 et seq.), to reimburse the General Fund of the District of Columbia, any enterprise fund, or other fund or account of the District, with the proceeds of the bonds.

(Oct. 22, 2008, D.C. Law 17-254, § 2(b), 55 DCR 9275; Nov. 16, 2011, D.C. Law 19-39, § 2(b), 58 DCR 8471.)



**Effect of amendments.** — D.C. Law 19-39 rewrote subsecs. (a) and (b); and added subsecs. (b-1) and (e).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2(b) of Income Tax Secured Bond Authorization Emergency Act of 2011 (D.C. Act 19-145, August 9, 2011, 58 DCR 6823).

For temporary (90 day) amendment of sec-

tion, see § 2(b) of Income Tax Secured Bond Authorization Congressional Review Emergency Act of 2011 (D.C. Act 19-216, October 31, 2011, 58 DCR 9348).

**Legislative history of Law 17-254.** — For Law 17-254, see notes following § 47-340.26.

**Legislative history of Law 19-39.** — For history of Law 19-39, see notes under § 47-340.26.

## § 47-340.29. Bond details.

(a) The Chief Financial Officer may take any action reasonably necessary or appropriate in accordance with this subchapter in connection with the preparation, execution, issuance, sale, delivery, security for, and payment of the bonds of each series, including, determinations of:

(1) Whether the bonds are to be issued in one or more series and the principal amount of each series;

(2) The final form, content, denominations, lettering, numbering, designation, and terms of each series of the bonds, or the manner of determining the designations and denominations, lettering, and numbering, including a determination that the bonds may be issued in certificated or book-entry form;

(3) The rate or rates of interest or the method for determining the rate or rates of interest on each series of the bonds;

(4) The date or dates of issuance, sale, and delivery of, and the payment of interest on each series of the bonds, and the maturity date or dates of the bonds;

(5) The price and terms under which any series of the bonds may be paid, optionally or mandatorily redeemed, accelerated, tendered, called, or put for redemption, repurchase, or remarketing before their respective stated maturities;

(6) The maximum debt service payable in any fiscal year for each series of the bonds;

(7) Provisions for the registration, transfer, and exchange of each series of the bonds and the replacement of mutilated, lost, stolen, or destroyed bonds;

(8) The creation of any reserve fund, sinking fund, or other fund with respect to each series of the bonds;

(9) The method of collection and deposit of Available Tax Revenues into the Income Tax Secured Bond Fund and the distributions from the Income Tax Secured Bond Fund to the trustee;

(10) The dates and place of payment of each series of the bonds;

(11) Procedures for monitoring the use of the proceeds received from the sale of each series of the bonds to ensure that the proceeds are properly applied and used to accomplish the purposes of Chapter 2 of Title 1 and this subchapter;

(12) The designation of the Collection Agent, trustee, Paying Agent, and registrar for each series of the bonds;

(13) Actions necessary to qualify each series of the bonds under blue sky laws of any jurisdiction where the bonds are marketed;



(14) Whether to enter into a Hedge Agreement related to all or a portion of a series of bonds; and

(15) The terms and types of security granted to the holders of each series of the bonds, including bond insurance and other credit enhancement.

(b) The bonds shall be executed in the name of the District and on its behalf by the manual or facsimile signature of the Mayor, and attested by the Secretary of the District of Columbia by the Secretary's manual or facsimile signature.

(c) The bonds of any series may be issued in accordance with the terms of a trust instrument to be entered into by the District and the trustee, and may be subject to the terms of one or more agreements entered into by the Mayor, through the Chief Financial Officer, pursuant to § 1-204.90.

(d) The bonds may be issued at any time or from time to time in one or more issues and in one or more series.

(e) The bonds are declared to be issued for essential public and governmental purposes. The bonds, the interest thereon, and the income therefrom shall at all times be exempt from taxation by the District, except for estate, inheritance, and gift taxes.

(f) The District irrevocably pledges for and on behalf of the owners of the bonds as further security for the due and punctual payment of the principal and redemption price, if any, and interest on, the bonds as they shall become due and payable for any reason, all of its right, title, and interest now owned or later acquired in and to the Available Tax Revenues, whether received or to be received, or held at the time, by a Collection Agent, custodian, escrow agent, or District officials. This pledge creates and grants a security interest as contemplated in § 1-204.90, subject to the terms, conditions, and limitations in this subchapter.

(g)(1) The District pledges, covenants, and agrees with the holders of the bonds that, subject to the provisions of the Financing Documents, the District will not:

(A) Limit or alter the revenues pledged to secure the bonds or the basis on which the revenues are collected or allocated in a manner that would generate Available Tax Revenues below the levels required to pay or secure the payment of the bonds;

(B) Impair the contractual obligations of the District to fulfill the terms of any agreement made with the holders of the bonds; provided, that the District may modify the Business Franchise Tax or Income Tax rates or the income subject to those rates only if the modification, if in effect, would not have reduced the ratio of Income Tax generated by the withholding portion of the Available Income Tax Revenues for any 12-consecutive-month period during the 15-month period immediately preceding the calculation to the maximum annual debt service on the Parity Bonds then outstanding, below 2.0 times, pursuant to the Financing Documents;

(C) In any way impair the rights or remedies of the holders of the bonds; and

(D) Modify in any way the exemptions from taxation provided for in subsection (e) of this section until the bonds, together with interest thereon,

and all costs and expenses in connection with any suit, action, or proceeding by or on behalf of the holders of the bonds, are fully met and discharged.

(2) The pledge and agreement of the District under this subsection may be included as part of the contract with the holders of the bonds and this subsection shall constitute a contract between the District and the holders of the bonds. To the extent that any acts or resolutions of the Council may be in conflict with this subchapter, this subchapter shall be controlling.

(h) Consistent with § 1-204.90(a)(4)(B) and notwithstanding Article 9 of Title 28:

(1) A pledge made and security interest created in respect of the bonds or pursuant to any related Financing Document shall be valid, binding, and perfected from the time the security interest is created, with or without physical delivery of any funds or any property and with or without any further action;

(2) The lien of the pledge shall be valid, binding, and perfected as against all parties having any claim of any kind in tort, contract, or otherwise against the District, whether or not the party has notice of the lien; and

(3) The security interest shall be valid, binding, and perfected whether or not any statement, document, or instrument relating to the security interest is recorded or filed.

(Oct. 22, 2008, D.C. Law 17-254, § 2(b), 55 DCR 9275.)

**Legislative history of Law 17-254.** — For Law 17-254, see notes following § 47-340.26.

### § 47-340.30. Issuance of the bonds.

(a) The bonds of any series may be sold as Parity Bonds or Subordinated Bonds at negotiated or competitive sale at, above, or below par, to one or more persons or entities, and upon terms that the Chief Financial Officer considers to be in the best interests of the District.

(b) The Chief Financial Officer may prepare or cause to be prepared and execute, in connection with each sale of the bonds, offering documents on behalf of the District, may deem final any such offering document on behalf of the District for purposes of compliance with federal laws and regulations governing such matters, and may authorize the distribution of the documents in connection with the bonds.

(c) The Chief Financial Officer may deliver executed bonds, on behalf of the District, for authentication, and, after the bonds have been authenticated, to deliver the bonds to the original purchasers of the bonds upon payment of the purchase price.

(d) The bonds shall not be issued until the Chief Financial Officer receives an approving opinion from Bond Counsel as to the validity of the bonds of such series and, if the interest on the bonds is expected to be exempt from federal income taxation, the treatment of the interest on the bonds for purposes of federal income taxation.

(e) No series of the bonds shall be issued unless the Chief Financial Officer provides certification that the issue of that series of the bonds shall not create



a violation of § 1-206.03(b), treating the bonds as general obligation bonds solely for the purpose of determining whether § 1-206.03(b) would be violated with this treatment of the bonds, and, for purposes of the certification, pursuant to § 1-204.75:

(A) The Chief Financial Officer shall include in any calculation, while any bond anticipation notes are outstanding, the estimated maximum annual debt service amount for the bonds anticipated by such bond anticipation notes;

(B) The Chief Financial Officer shall not include in any such calculation the debt service on the bond anticipation notes; and

(C) The estimated maximum annual debt service on the bonds anticipated by the bond anticipation notes shall be as estimated at the time the bond anticipation notes are issued.

(f) Chapter 3 of Title 2 and subchapter III-A of this chapter shall not apply to any contract the Mayor or Chief Financial Officer may from time to time enter into, or the Mayor or Chief Financial Officer may determine to be necessary or appropriate, for purposes of this subchapter, including the selection of Bond Counsel, underwriters, financial advisors, or other professionals for a particular bond issue.

(Oct. 22, 2008, D.C. Law 17-254, § 2(b), 55 DCR 9275; Nov. 16, 2011, D.C. Law 19-39, § 2(c), 58 DCR 8471.)

**Effect of amendments.** — D.C. Law 19-39, in subsec. (f), substituted “subchapter III-A” for “subchapter III”.

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2(c) of Income Tax Secured Bond Authorization Emergency Act of 2011 (D.C. Act 19-145, August 9, 2011, 58 DCR 6823).

For temporary (90 day) amendment of sec-

tion, see § 2(c) of Income Tax Secured Bond Authorization Congressional Review Emergency Act of 2011 (D.C. Act 19-216, October 31, 2011, 58 DCR 9348).

**Legislative history of Law 17-254.** — For Law 17-254, see notes following § 47-340.26.

**Legislative history of Law 19-39.** — For history of Law 19-39, see notes under § 47-340.26.

## § 47-340.31. Payment and security.

(a) The bonds shall be special obligations of the District payable solely from the Available Tax Revenues pledged therefor under this subchapter and other receipts, revenues, and funds in the Income Tax Secured Bond Fund and payable to the Income Tax Secured Bond Fund pursuant to this subchapter and the Financing Documents. The Available Tax Revenues shall constitute dedicated taxes and fees and available revenues within the meaning of § 1-204.90(n). As such, the holders of the bonds shall have a first lien on and pledge of the Available Tax Revenues superior to that of any other person, including holders of general obligation bonds or notes secured by the full faith and credit of the District pursuant to § 1-204.82.

(b) The bonds shall be without recourse to the District, are not a pledge of, and do not involve, the faith and credit or the taxing power of the District (other than the Available Tax Revenues and any other taxes and fees allocated to the Income Tax Secured Bond Fund), do not constitute a debt of the District, and do not constitute lending of the public credit for private undertakings as prohibited in § 1-206.02(a)(2). The bonds shall contain a legend expressly setting forth the limitations set forth in the preceding sentence.



(c) Payment of the bonds shall be secured as provided in the Financing Documents and by an assignment by the District for the benefit of the bond owners of certain of its rights under the Financing Documents and Closing Documents to the Collection Agent and trustee pursuant to the Financing Documents.

(d) The Collection Agent and trustee, respectively, may deposit, invest, and disburse the Available Tax Revenues received pursuant to the Financing Documents.

(e) The trustee may disburse the proceeds of the bonds to the District.

(Oct. 22, 2008, D.C. Law 17-254, § 2(b), 55 DCR 9275.)

**Legislative history of Law 17-254.** — For Law 17-254, see notes following § 47-340.26.

## § 47-340.32. Financing and closing documents.

(a) The Chief Financial Officer may prescribe the final form and content of all Financing Documents and all Closing Documents to which the District is a party that may be necessary or appropriate to issue, sell, and deliver the bonds.

(b) The Chief Financial Officer may, through a trust agreement or other instrument, make additional covenants of the District and agree to other provisions to better secure, administer funds for, and protect the bonds and the owners thereof.

(c) The Chief Financial Officer may execute, in the name of the District and on its behalf, the Financing Documents and any Closing Documents to which the District is a party. The Mayor or an Authorized Delegate may execute the bonds, in the name of the District, by the Mayor's or Authorized Delegate's manual or facsimile signature.

(d) If required, the official seal of the District, or a facsimile of it, shall be impressed, printed, or otherwise reproduced on the bonds, the other Financing Documents, and the Closing Documents to which the District is a party.

(e) The Chief Financial Officer's execution and delivery of the Financing Documents and Closing Documents to which the District is a party, and the Mayor's execution of the bonds, shall constitute conclusive evidence of the Chief Financial Officer's and Mayor's approval, on behalf of the District, of the final form and content of the executed Financing Documents and the executed Closing Documents.

(f) The Chief Financial Officer may deliver the executed and sealed Financing Documents and Closing Documents, on behalf of the District, prior to or simultaneously with the issuance, sale, and delivery of the bonds, and to ensure the due performance of the obligations of the District contained in the executed, sealed, and delivered Financing Documents and Closing Documents.

(Oct. 22, 2008, D.C. Law 17-254, § 2(b), 55 DCR 9275.)

**Legislative history of Law 17-254.** — For Law 17-254, see notes following § 47-340.26.

**§ 47-340.33. Limited liability.**

No person, including any bond owner, shall have any claims against the District or any of its elected or appointed officials, officers, employees, or agents for monetary damages suffered as a result of the failure of the District to perform any covenant, undertaking, or obligation under this subchapter, the bonds, the Financing Documents, or the Closing Documents, or as a result of the incorrectness of any representation in or omission from the Financing Documents or the Closing Documents, unless the District or its elected or appointed officials, officers, employees, or agents have acted in a willful and fraudulent manner.

(Oct. 22, 2008, D.C. Law 17-254, § 2(b), 55 DCR 9275.)

**Legislative history of Law 17-254.** — For Law 17-254, see notes following § 47-340.26.

**§ 47-340.34. District officials.**

(a) Except as otherwise provided § 47-340.33, the elected or appointed officials, officers, employees, or agents of the District shall not be liable personally for the payment of the bonds or be subject to any personal liability by reason of the issuance of the bonds, or for any representations, warranties, covenants, obligations, or agreements of the District contained in this subchapter, the bonds, the Financing Documents, or the Closing Documents.

(b) The signature, countersignature, facsimile signature, or facsimile countersignature of any official appearing on the bonds, the Financing Documents, or the Closing Documents shall be valid and sufficient for all purposes notwithstanding the fact that the individual signatory ceases to hold that office before delivery of the bonds, the Financing Documents, or the Closing Documents.

(c) To the extent permitted by law, the Mayor may delegate to any Authorized Delegate the performance of any act authorized to be performed by the Mayor under this subchapter.

(Oct. 22, 2008, D.C. Law 17-254, § 2(b), 55 DCR 9275.)

**Legislative history of Law 17-254.** — For Law 17-254, see notes following § 47-340.26.

**§ 47-340.35. Maintenance of documents.**

Copies of the specimen bonds and of the final Financing Documents and Closing Documents shall be filed in the Office of the Secretary of the District of Columbia.

(Oct. 22, 2008, D.C. Law 17-254, § 2(b), 55 DCR 9275.)

**Legislative history of Law 17-254.** — For Law 17-254, see notes following § 47-340.26.



§ 47-340.36. Information reporting.

Within 3 days after the Chief Financial Officer's receipt of the transcript of proceedings relating to the issuance of the bonds, the Chief Financial Officer shall transmit a copy of the transcript to the Secretary to the Council.

(Oct. 22, 2008, D.C. Law 17-254, § 2(b), 55 DCR 9275.)

**Legislative history of Law 17-254.** — For Law 17-254, see notes following § 47-340.26.

*Subchapter III. Deposit of Public Funds.*

§ 47-341. Definitions. [Repealed].

Repealed.

(Oct. 26, 1977, D.C. Law 2-32, § 2, 24 DCR 3725; Oct. 8, 1981, D.C. Law 4-40, § 2(a), 28 DCR 3395; Sept. 26, 1984, D.C. Law 5-118, § 6(b), 31 DCR 4034; Mar. 7, 1991, D.C. Law 8-220, § 2, 38 DCR 199; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Mar. 18, 1998, D.C. Law 12-56, § 2(a), 44 DCR 6933.)

**Prior Codifications.** — 1981 Ed., § 47-341. 1973 Ed., § 47-271.

**Legislative history of Law 2-32.** — Law 2-32 was introduced in Council and assigned Bill No. 2-107, which was referred to the Committee on Employment and Economic Development. The Bill was adopted on first, amended first and second readings on June 28, 1977, July 12, 1977 and July 26, 1977, respectively. Signed by the Mayor on August 17, 1977, it was assigned Act No. 2-78 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 4-40.** — Law 4-40 was introduced in Council and assigned Bill No. 4-2, which was referred to the Committee on Public Services and Consumer Affairs. The Bill was adopted on first and second readings on June 16, 1981 and June 30, 1981, respectively. Signed by the Mayor on July 20, 1981, it was assigned Act No. 4-67 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 5-118.** — Law 5-118, the "Deferred Compensation Act of 1984," was introduced in Council and assigned Bill No. 5-177, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 26, 1984 and July 10, 1984, respectively. Signed by the Mayor on July 13, 1984, it was assigned Act No. 5-170 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 8-220.** — Law 8-220, the "District of Columbia Government

Comprehensive Merit Personnel Act of 1978 Section 401(a) Trust Fund Amendment Act of 1990," was introduced in Council and assigned Bill No. 8-558, which was referred to the Committee on Government Operations. The Bill was adopted on first and second readings on December 4, 1990, and December 18, 1990, respectively. Signed by the Mayor on December 27, 1990, it was assigned Act No. 8-303 and transmitted to both Houses of Congress for its review. D.C. Law 8-220 became effective on March 7, 1991.

**Legislative history of Law 12-56.** — Law 12-56, the "Financial Institutions Deposit and Investment Amendment Act of 1997," was introduced in Council and assigned Bill No. 12-264, which was referred to the Committee on Economic Development. The Bill was adopted on first and second readings on September 22, 1997, and October 7, 1997, respectively. Signed by the Mayor on October 17, 1997, it was assigned Act No. 12-177 and transmitted to both Houses of Congress for its review. D.C. Law 12-56 became effective on March 18, 1998.

**Delegation of Authority.** — Delegation of authority under D.C. Law 2-32, see Mayor's Order 85-87, June 10, 1985.

**Mayor's Orders.** — Amendment of Organization Order No. 112, establishing Board of Appeals and Review: See Mayor's Order 84-31, February 9, 1984.

Amendment of delegation of authority under D.C. Law 2-32: See Mayor's Order 85-168, October 4, 1985.



## § 47-342. Mayor to invest or deposit certain funds. [Repealed].

Repealed.

(Oct. 26, 1977, D.C. Law 2-32, § 3, 24 DCR 3725; Mar. 8, 1984, D.C. Law 5-50, § 2, 30 DCR 5916; July 22, 1992, D.C. Law 9-127, § 2, 39 DCR 3828; Mar. 16, 1993, D.C. Law 9-185, § 2, 39 DCR 8221; June 28, 1994, D.C. Law 10-134, § 2, 41 DCR 2597; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Mar. 18, 1998, D.C. Law 12-56, § 2(a), 44 DCR 6933.)

**Prior Codifications.** — 1981 Ed., § 47-342. 1973 Ed., § 47-272.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2 of South Africa Sanctions Repeal Act of 1993 (D.C. Law 10-75, March 8, 1994, law notification 41 DCR 1518).

**Emergency legislation.** — For temporary amendment of section, see § 2 of the South Africa Sanctions Emergency Repeal Act of 1993 (D.C. Act 10-127, October 25, 1993, 40 DCR 7583) and § 2 of the South Africa Sanctions Congressional Recess Emergency Repeal Act of 1994 (D.C. Act 10-176, January 25, 1994, 41 DCR 512).

**Legislative history of Law 2-32.** — For legislative history of D.C. Law 2-32, see Historical and Statutory Notes following § 47-341.

**Legislative history of Law 5-50.** — Law 5-50, the “Prohibition of the Investment of Public Funds in Financial Institutions and Companies Making Loans to or Doing Business with the Republic of South Africa or Namibia Act of 1983,” was introduced in Council and assigned Bill No. 5-18, which was referred to the Committee on Consumer and Regulatory Affairs. The Bill was adopted on first and second readings on September 6, 1983, and October 4, 1983, respectively. Signed by the Mayor on November 9, 1983, it was assigned Act No. 5-76 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 9-127.** — Law 9-127, the “Namibia Sanctions Repeal Amendment Act of 1992,” was introduced in Council and assigned Bill No. 9-361, which was referred to the Committee on Consumer and Regulatory Affairs. The Bill was adopted on first and second readings on April 7, 1992, and May 6, 1992, respectively. Signed by the Mayor on May 28, 1992, it was assigned Act No. 9-211 and transmitted to both Houses of Congress for its review. D.C. Law 9-127 became effective on July 22, 1992.

**Legislative history of Law 9-185.** — Law 9-185, the “Public Funds Investment Policy in Financial Institutions and Companies Making Loans to or Doing Business with Northern Ireland Amendment Act of 1992,” was introduced in Council and assigned Bill No. 9-311, which was referred to the Committee on Consumer and Regulatory Affairs. The Bill was adopted on first and second readings on July 7, 1992, and October 6, 1992, respectively. Signed by the Mayor on November 2, 1992, it was assigned Act No. 9-305 and transmitted to both Houses of Congress for its review. D.C. Law 9-185 became effective on March 16, 1993.

**Legislative history of Law 10-134.** — Law 10-134, the “South Africa Sanctions Repeal Act of 1994,” was introduced in Council and assigned Bill No. 10-427, which was referred to the Committee on Consumer and Regulatory Affairs. The Bill was adopted on first and second readings on March 1, 1994, and April 12, 1994, respectively. Signed by the Mayor on April 28, 1994, it was assigned Act No. 10-234 and transmitted to both Houses of Congress for its review. D.C. Law 10-134 became effective on June 28, 1994.

**Legislative history of Law 12-56.** — For legislative history of D.C. Law 12-56, see Historical and Statutory Notes following § 47-341.

**Delegation of Authority.** — Delegation of authority under Law 5-50, see Mayor’s Order 84-82, May 4, 1984.

Delegation of authority under D.C. Law 9-185, “Public Funds Investment Policy in Financial Institutions and Companies Making Loans to or Doing Business with Northern Ireland Amendment Act of 1992,” see Mayor’s Order 93-76, June 16, 1993.

**Editor’s notes.** — Companies and their subsidiaries or affiliates doing business in or with the Republic of South Africa or Namibia: See Mayor’s Order 90-115, August 14, 1990 and Mayor’s Order 90-189, November 30, 1990.

## § 47-343. Selection of depositories and investments. [Repealed].

Repealed.

(Oct. 26, 1977, D.C. Law 2-32, § 4, 24 DCR 3725; Mar. 4, 1981, D.C. Law 3-128, § 10, 28 DCR 246; Apr. 8, 1992, D.C. Law 9-91, § 2(a), 39 DCR 1365; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Mar. 18, 1998, D.C. Law 12-56, § 2(a), 44 DCR 6933.)

**Prior Codifications.** — 1981 Ed., § 47-343. 1973 Ed., § 47-273.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2(a) of District of Columbia Depository Act of 1977 Temporary Amendment Act of 1991 (D.C. Law 9-11, July 13, 1991, law notification 38 DCR ).

**Emergency legislation.** — For temporary amendment of section, see § 2(a) of the District of Columbia Depository Act of 1977 Emergency Amendment Act of 1991 (D.C. Act 9-18, April 26, 1991, 38 DCR 2713).

For temporary amendment of section, see § 2(a) of the District of Columbia Depository Act of 1977 Agreement Emergency Amendment Act of 1992 (D.C. Act 9-156, February 21, 1992, 39 DCR 1357). Section 4 of D.C. Act 9-156 provided that if any provision of sections 4(f) or 5(f) of the District of Columbia Depository Act of 1977, as added by section 2 of the District of Columbia Depository Act of 1977 Agreement Emergency Amendment Act of 1992, or its application to any person or circumstance is held to be unconstitutional, beyond the statutory authority of the Council of the District of Columbia, or otherwise invalid, then all provisions of sections 4(e)-(f) and 5(e)-(f) of the District of Columbia Depository Act of 1977, as added by section 2 of the District of Columbia Depository Act of 1977 Agreement Emergency Amendment Act of 1992, shall be deemed invalid.

For temporary repeal of D.C. Law 9-11, see § 3 of the District of Columbia Depository Act of 1977 Agreement Emergency Amendment Act of 1992 (D.C. Act 9-156, February 21, 1992, 39 DCR 1357).

**Legislative history of Law 2-32.** — For legislative history of D.C. Law 2-32, see Historical and Statutory Notes following § 47-341.

**Legislative history of Law 3-128.** — Law 3-128, the "Closing of a Portion of Public Alley

in Square 5263; the Police Officers, Firefighters, and Teachers Retirement Amendments; the District of Columbia Depository Act of 1977 Amendment; and the District of Columbia Motor Vehicle Fuel and Sales Tax Act and the District of Columbia Sales Tax Act Amendments of 1980 Acts of 1980," was introduced in Council and assigned Bill No. 3-394, which was referred to the Committee on Transportation and Environmental Affairs. The Bill was adopted on first and second readings on November 25, 1980 and December 9, 1980, respectively. Signed by the Mayor on January 7, 1981, it was assigned Act No. 3-337 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 9-91.** — Law 9-91, the "District of Columbia Depository Act of 1977 Amendment Act of 1992," was introduced in Council and assigned Bill No. 9-180, which was referred to the Committee on Economic Development. The Bill was adopted on first and second readings on January 7, 1992, and February 4, 1992, respectively. Signed by the Mayor on February 21, 1992, it was assigned Act No. 9-159 and transmitted to both Houses of Congress for its review. D.C. Law 9-91 became effective on April 8, 1992.

**Legislative history of Law 12-56.** — For legislative history of D.C. Law 12-56, see Historical and Statutory Notes following § 47-341.

**Repeal of Law 9-11.** — Section 3 of D.C. Law 9-91 repealed the District of Columbia Depository Act of 1977 Temporary Amendment Act of 1991 (D.C. Law 9-11).

**Severability of Law** — Inseverability of Law 9-91: Section 4 of D.C. Law 9-91 provided that if any provision of § 47-343(f) or § 47-344(f), as added by § 2 of the act, or its application to any person or circumstance is held to be unconstitutional, beyond the statutory authority of the Council of the District of Columbia, or otherwise invalid, then all provisions of §§ 47-343(e)-(f) and 47-344(e)-(f), as added by § 2 of the act, shall be deemed invalid.

## § 47-344. Ranking of depositories; qualifying loans; information required to bid. [Repealed].

Repealed.

(Oct. 26, 1977, D.C. Law 2-32, § 5, 24 DCR 3725; Oct. 8, 1981, D.C. Law 4-40, § 2(b), 28 DCR 3395; Mar. 16, 1989, D.C. Law 7-187, § 4, 35 DCR 8648; Apr. 8, 1992, D.C. Law 9-91, § 2(b), 39 DCR 1365; enacted, Apr. 9, 1997, D.C. Law



11-254, § 2, 44 DCR 1575; Mar. 18, 1998, D.C. Law 12-56, § 2(a), 44 DCR 6933.)

**Prior Codifications.** — 1981 Ed., § 47-344. 1973 Ed., § 47-274.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2(b) of District of Columbia Depository Act of 1977 Temporary Amendment Act of 1991 (D.C. Law 9-11, July 13, 1991, law notification 38 DCR ).

**Emergency legislation.** — For temporary amendment of section, see § 2(b) of the District of Columbia Depository Act of 1977 Emergency Amendment Act of 1991 (D.C. Act 9-18, April 26, 1991, 38 DCR 2713).

For temporary amendment of section, see § 2(b) of the District of Columbia Depository Act of 1977 Agreement Emergency Amendment Act of 1992 (D.C. Act 9-156, February 21, 1992, 39 DCR 1357). Section 4 of D.C. Act 9-156 provided that if any provision of sections 4(f) or 5(f) of the District of Columbia Depository Act of 1977, as added by section 2 of the District of Columbia Depository Act of 1977 Agreement Emergency Amendment Act of 1992, or its application to any person or circumstance is held to be unconstitutional, beyond the statutory authority of the Council of the District of Columbia, or otherwise invalid, then all provisions of sections 4(e)-(f) and 5(e)-(f) of the District of Columbia Depository Act of 1977, as added by section 2 of the District of Columbia Depository Act of 1977 Agreement Emergency Amendment Act of 1992, shall be deemed invalid.

For temporary repeal of D.C. Law 9-11, see § 3 of the District of Columbia Depository Act of 1977 Agreement Emergency Amendment Act

of 1992 (D.C. Act 9-156, February 21, 1992, 39 DCR 1357).

**Legislative history of Law 2-32.** — For legislative history of D.C. Law 2-32, see Historical and Statutory Notes following § 47-341.

**Legislative history of Law 4-40.** — For legislative history of D.C. Law 4-40, see Historical and Statutory Notes following § 47-341.

**Legislative history of Law 7-187.** — Law 7-187 was introduced in Council and assigned Bill No. 7-471, which was referred to the Committee on Housing and Economic Development. The Bill was adopted on first and second readings on October 25, 1988 and November 15, 1988, respectively. Signed by the Mayor on December 1, 1988, it was assigned Act No. 7-249 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 9-91.** — For legislative history of D.C. Law 9-91, see Historical and Statutory Notes following § 47-343.

**Legislative history of Law 12-56.** — For legislative history of D.C. Law 12-56, see Historical and Statutory Notes following § 47-341.

**Repeal of Law 9-11.** — Section 3 of D.C. Law 9-91 repealed the District of Columbia Depository Act of 1977 Temporary Amendment Act of 1991 (D.C. Law 9-11).

**Severability of Law** — Inseverability of Law 9-91: Section 4 of D.C. Law 9-91 provided that if any provision of § 47-343(f) or § 47-344(f), as added by § 2 of the act, or its application to any person or circumstance is held to be unconstitutional, beyond the statutory authority of the Council of the District of Columbia, or otherwise invalid, then all provisions of §§ 47-343(e)-(f) and 47-344(e)-(f), as added by § 2 of the act, shall be deemed invalid.

## § 47-345. Limitation on amount. [Repealed].

Repealed.

(Oct. 26, 1977, D.C. Law 2-32, § 6, 24 DCR 3725; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Mar. 18, 1998, D.C. Law 12-56, § 2(a), 44 DCR 6933.)

**Prior Codifications.** — 1981 Ed., § 47-345. 1973 Ed., § 47-275.

**Legislative history of Law 2-32.** — For legislative history of D.C. Law 2-32, see Historical and Statutory Notes following § 47-341.

**Legislative history of Law 12-56.** — For legislative history of D.C. Law 12-56, see Historical and Statutory Notes following § 47-341.

## § 47-345.01. Cashing government checks of District residents required. [Repealed].

Repealed.



(Oct. 8, 1981, D.C. Law 4-40, § 2(c), 28 DCR 3395; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Mar. 18, 1998, D.C. Law 12-56, § 2(a), 44 DCR 6933.)

**Prior Codifications.** — 1981 Ed., § 47-345.1.

**Legislative history of Law 4-40.** — For legislative history of D.C. Law 4-40, see Historical and Statutory Notes following § 47-341.

**Legislative history of Law 12-56.** — For legislative history of D.C. Law 12-56, see Historical and Statutory Notes following § 47-341.

**Transfer of Functions.** — The functions of the Department of Transportation were transferred to the Department of Public Works by Reorganization Plan No. 4 of 1983, effective March 1, 1984.

## § 47-346. Required collateral and financial information. [Repealed].

Repealed.

(Oct. 26, 1977, D.C. Law 2-32, § 7, 24 DCR 3725; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Mar. 18, 1998, D.C. Law 12-56, § 2(a), 44 DCR 6933.)

**Prior Codifications.** — 1981 Ed., § 47-346. 1973 Ed., § 47-276.

**Legislative history of Law 2-32.** — For legislative history of D.C. Law 2-32, see Historical and Statutory Notes following § 47-341.

**Legislative history of Law 12-56.** — For legislative history of D.C. Law 12-56, see Historical and Statutory Notes following § 47-341.

## § 47-347. Public disclosure of certain information; required reports by depositories and Mayor. [Repealed].

Repealed.

(Oct. 26, 1977, D.C. Law 2-32, § 8, 24 DCR 3725; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Mar. 18, 1998, D.C. Law 12-56, § 2(a), 44 DCR 6933.)

**Prior Codifications.** — 1981 Ed., § 47-347. 1973 Ed., § 47-277.

**Legislative history of Law 2-32.** — For legislative history of D.C. Law 2-32, see Historical and Statutory Notes following § 47-341.

**Legislative history of Law 12-56.** — For legislative history of D.C. Law 12-56, see Historical and Statutory Notes following § 47-341.

## § 47-348. Termination of depositories or refusal of contracts; immediate withdrawal. [Repealed].

Repealed.

(Oct. 26, 1977, D.C. Law 2-32, § 9, 24 DCR 3725; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Mar. 18, 1998, D.C. Law 12-56, § 2(a), 44 DCR 6933.)

**Prior Codifications.** — 1981 Ed., § 47-348. 1973 Ed., § 47-278.

**Legislative history of Law 2-32.** — For legislative history of D.C. Law 2-32, see Historical and Statutory Notes following § 47-341.

**Legislative history of Law 12-56.** — For legislative history of D.C. Law 12-56, see Historical and Statutory Notes following § 47-341.

**Mayor's Orders.** — Amendment of Organization Order No. 112, establishing Board of Appeals and view: See Mayor's Order 84-31, February 9, 1984.

## § 47-349. Powers of Mayor and District of Columbia Auditor; accountability of Auditor. [Repealed].

Repealed.

(Oct. 26, 1977, D.C. Law 2-32, § 10, 24 DCR 3725; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Mar. 18, 1998, D.C. Law 12-56, § 2(a), 44 DCR 6933.)

**Prior Codifications.** — 1981 Ed., § 47-349. 1973 Ed., § 47-279.

**Legislative history of Law 2-32.** — For legislative history of D.C. Law 2-32, see Historical and Statutory Notes following § 47-341.

**Legislative history of Law 12-56.** — For legislative history of D.C. Law 12-56, see Historical and Statutory Notes following § 47-341.

## § 47-350. Authorized staff for District of Columbia Auditor and Committee on Employment and Economic Development. [Repealed].

Repealed.

(Oct. 26, 1977, D.C. Law 2-32, § 11, 24 DCR 3725; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Mar. 18, 1998, D.C. Law 12-56, § 2(a), 44 DCR 6933.)

**Prior Codifications.** — 1981 Ed., § 47-350. 1973 Ed., § 47-280.

**Legislative history of Law 2-32.** — For legislative history of D.C. Law 2-32, see Historical and Statutory Notes following § 47-341.

**Legislative history of Law 12-56.** — For legislative history of D.C. Law 12-56, see Historical and Statutory Notes following § 47-341.

### *Subchapter III-A. Financial Institutions Deposits and Investments.*

## § 47-351.01. Definitions.

For the purposes of this subchapter, the term:

(1) "Bank" means an insured financial institution as defined in section 2 of the Federal Deposit Insurance Act, approved September 21, 1950 (64 Stat. 873; 12 U.S.C. § 1813), which:

(A) Accepts demand deposits or deposits that the depositor may withdraw by check or similar means for payment to third parties or others; and

(B) Is engaged in the business of making commercial loans.

(2) "Banking business" means the deposit or investment of District funds or the use of District funds for the provision of financial services.

(2A) "Collateralized mortgage obligations" shall mean securities issued by

a government or quasi-governmental agency and backed by a pool of underlying home mortgages packaged and sold in the secondary market.

(3) "Community Reinvestment Act" means the Community Reinvestment Act of 1977, approved October 12, 1977 (91 Stat. 1147; 12 U.S.C. §§ 2901-2907).

(4) "Compensating balances" means collected balances held by the depository to compensate the depository for the cost of financial services rendered.

(5) "Credit union" means an institution insured by the National Credit Union Administration, and either serving designated geographical areas within the District of Columbia or serving the employees of the District.

(6) "Deposit" means District funds which are held by a financial institution subject to withdrawal upon demand by the District or upon a check or warrant of the District or the act of entrusting District funds into a financial institution.

(7) "District" means the government of the District of Columbia.

(8) "District funds" means money, currency, notes, or drafts belonging to or under the control of the District, including, but not limited to, the federal payment, federal grants, taxes, fees, special assessments, all other funds received from the federal government, and funds paid to or received by a board, agency, commission, institution, committee, or office of the District or from any other source. This does not include any assets of a pension, assets held by the District of Columbia Financial Responsibility and Management Assistance Authority, an employee deferred compensation program of the District, or an irrevocable trust established pursuant to § 1-626.11.

(9) "Eligible financial institution" means any bank or any brokerage firm registered with the United States Securities and Exchange Commission ("SEC") or any savings and loan association, savings bank, credit union, or any subsidiary or affiliate thereof meeting the requirements to become eligible to submit a bid pursuant to § 47-351.04.

(10) "Financial services" means those services performed by a financial institution in connection with the retention of deposits, including check payment, check clearing, reconciliation of accounts, check printing, the collection and transfer of taxes and fees, night depository services, custodial services, and other services that may be necessary for the efficient management of District funds.

(11) "Home Mortgage Disclosure Act" means the Home Mortgage Disclosure Act of 1975, approved December 31, 1975 (89 Stat. 1124; 12 U.S.C. § 2801 et seq.).

(12) "Insured financial institution" or "insured institution" means a bank, savings and loan association, savings bank, credit union, or any subsidiary or affiliate thereof.

(13) "Invest" means to commit District funds in order to gain profit or interest.

(14) "Investment" means property acquired with District funds for future profit or interest.

(15) "Investment grade obligation" means securities that have a minimum rating of BBB, Baa, or BBB- from Standard and Poor's, Moody's Investor Service, or Fitch Investor Service rating agencies that rate the securities.



(16) “Linked deposit” means limited deposits in an insured financial institution made pursuant to an authorization from the Mayor, or CFO pursuant to § 47-351.02(c), to waive the competitive bidding requirements of the act in order to make a deposit in return for that institution’s commitment to make community development loans in low-to-moderate income areas.

(17) “Low-to-moderate income area” means a census tract in which more than 50% of the households have a median household income of less than 100% of the District’s median household income based on the most recent decennial census.

(18) “Mayor” means the Mayor of the District of Columbia.

(19) “Mortgage loan” means a loan that is secured by residential real property.

(20) “Noninsured financial institution” means an investment advisor, investment banker, investment company, investment trust, or any other company, subsidiary, or affiliate thereof designated by the Mayor, or the CFO during a control year.

(21) “Quasi-governmental corporation” means United States government-sponsored enterprises that issue investment-grade obligations. This includes, but is not limited to, banks for cooperatives, federal land banks, federal intermediate credit banks, federal farm credit banks, federal home loan banks, the Federal Home Loan Bank Board, the Tennessee Valley District, the Small Business Administration, or any such agency or enterprise that may be created.

(22) “Savings and loan association” means an institution organized as a savings and loan association under the laws of the United States, a state, or the District, the deposits of which are insured by the Federal Deposit Insurance Corporation.

(23) “Savings bank” means an institution organized as a savings bank under the laws of the United States, a state, or the District, the deposits of which are insured by the Federal Deposit Insurance Corporation.

(24) “Small business” means a business with annual gross sales or revenues of \$5 million or less.

(Mar. 18, 1998, D.C. Law 12-56, § 2(c), 44 DCR 6933; Apr. 20, 1999, D.C. Law 12-264, § 52(a), 46 DCR 2118; June 16, 2006, D.C. Law 16-125, § 2(a), 53 DCR 4707; Mar. 25, 2009, D.C. Law 17-353, § 116, 56 DCR 1117.)

**Prior Codifications.** — 1981 Ed., § 47-351.1.

**Effect of amendments.** — D.C. Law 16-125 added par. (2A).

D.C. Law 17-353 validated a previously made technical correction in the redesignation of par. (25) as par. (2A).

**Emergency legislation.** — For temporary addition of subchapter III-A, see § 2(c) of the Financial Institutions Deposit and Investment Emergency Amendment Act of 1997 (D.C. act 12-175, October 30, 1997, 44 DCR 6918), and see § 2(c) of the Financial Institutions Deposit and Investment Congressional Recess Emer-

gency Amendment Act of 1998 (D.C. Act 12-281, February 25, 1998, 45 DCR 1707).

**Legislative history of Law 12-56.** — Law 12-56, the “Financial Institutions Deposit and Investment Amendment Act of 1997,” was introduced in Council and assigned Bill No. 12-264, which was referred to the Committee on Economic Development. The Bill was adopted on first and second readings on September 22, 1997, and October 7, 1997, respectively. Signed by the Mayor on October 17, 1997, it was assigned Act No. 12-177 and transmitted to both Houses of Congress for its review. D.C. Law 12-56 became effective on March 18, 1998.

**Legislative history of Law 12-264.** — Law 12-264, the “Technical Amendments Act of 1998,” was introduced in Council and assigned Bill No. 12-804, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 10, 1998, and December 1, 1998, respectively. Signed by the Mayor on January 7, 1999, it was assigned Act No. 12-626 and transmitted to both Houses of Congress for its review. D.C. Law 12-264 became effective on April 20, 1999.

**Legislative history of Law 16-125.** — Law 16-125, the “Financial Institutions Deposit and

Investment Act of 2006”, was introduced in Council and assigned Bill No. 16-135 which was referred to the Committee on Consumer and Regulatory Affairs. The Bill was adopted on first and second readings on March 7, 2006, and April 4, 2006, respectively. Signed by the Mayor on April 21, 2006, it was assigned Act No. 16-343 and transmitted to both Houses of Congress for its review. D.C. Law 16-125 became effective on June 16, 2006.

**Legislative history of Law 17-353.** — For Law 17-353, see notes following § 47-308.

## § 47-351.02. Powers of the Mayor.

(a) The Mayor or the Mayor’s designated officer shall invest, deposit, or obtain financial services for all District funds that the Mayor does not need for immediate disbursement.

(b) The Mayor may exercise any power that is necessary to implement and enforce this subchapter.

(c) During a control year, as defined in § 47-393(4), the powers exercised by the Mayor pursuant to this subchapter, except for § 47-351.16, shall be exercised by the Chief Financial Officer of the District of Columbia (“CFO”).

(Mar. 18, 1998, D.C. Law 12-56, § 2(c), 44 DCR 6933.)

**Prior Codifications.** — 1981 Ed., § 47-351.2.

**Emergency legislation.** — See Historical and Statutory Notes following § 47-351.01.

**Legislative history of Law 12-56.** — For legislative history of D.C. Law 12-56, see Historical and Statutory Notes following § 47-351.01.

**Delegation of Authority.** — Delegation of authority under Law 5-50, see Mayor’s Order 84-82, May 4, 1984.

Delegation of authority under D.C. Law 9-185, “Public Funds Investment Policy in Financial Institutions and Companies Making Loans to or Doing Business with Northern Ireland Amendment Act of 1992”, see Mayor’s Order 93-76, June 16, 1993.

**Mayor’s Orders.** — Companies and their subsidiaries or affiliates doing business in or with the Republic of South Africa or Namibia: See Mayor’s Order 90-115, August 14, 1990 and Mayor’s Order 90-189, November 30, 1990.

## § 47-351.03. General deposit and investment requirements.

(a) Unless otherwise provided by law, the Mayor, or the CFO pursuant to § 47-351.02(c), shall invest and deposit District funds in, and obtain financial services from, eligible financial institutions.

(b) The Mayor, or the CFO pursuant to § 47-351.02(c), shall determine what amount of District funds are needed immediately and maintain deposit funds in amounts great enough to satisfy that need. The Mayor, or the CFO pursuant to § 47-351.02(c), shall invest all other funds.

(c) The Mayor, or the CFO pursuant to § 47-351.02(c), shall invest District funds in:

(1) Bonds, bills, notes, or other obligations issued by the United States government;

(2) Federally insured negotiable certificates of deposit or other insured or uninsured evidences of deposit at a financial institution;



(3) Bonds, bills, notes, mortgage-backed or asset-backed securities, or other obligations of a quasi-governmental corporation;

(4) Prime banker acceptances that do not exceed 270 days maturity;

(5) Prime commercial paper that does not:

(A) Have a maturity that exceeds 180 days; and

(B) Exceed 10% of the outstanding commercial paper of the issuing corporation at the time of purchase;

(6) Investment grade obligations of the District or a state or local government;

(7) Repurchase agreements for the sale or purchase of securities by the District under the condition that, after a stated period of time, the original seller or purchaser will buy back or sell the securities at an agreed price that shall include interest;

(8) Investment grade asset-backed or mortgaged-backed securities; or

(9) Money market funds registered with the Securities and Exchange Commission and which meet the requirements of Rule 2(a)(7) of the Investment Company Act of 1940, approved August 22, 1940 (54 Stat. 789; 15 U.S.C. § 80a-1 et seq.).

(d) The Mayor, or the CFO pursuant to § 47-351.02(c), shall not allow the amount of District funds deposited or placed for the provision of financial services in a single eligible financial institution to exceed the lesser of either:

(1) Twenty-five percent of the total assets of the eligible financial institution, exclusive of District funds; or

(2) Twenty-five percent of the total District funds available for deposit or investment as of the date of such deposit or placement and as of the end of each fiscal quarter thereafter.

(Mar. 18, 1998, D.C. Law 12-56, § 2(c), 44 DCR 6933.)

**Prior Codifications.** — 1981 Ed., § 47-351.3.

**Emergency legislation.** — See Historical and Statutory Notes following § 47-351.01.

**Legislative history of Law 12-56.** — For legislative history of D.C. Law 12-56, see Historical and Statutory Notes following § 47-351.01.

## **§ 47-351.04. Eligibility requirements; bidding; awards process.**

(a) To become eligible to submit a bid under this subsection:

(1) An insured institution shall provide the Mayor, or the CFO pursuant to § 47-351.02(c), with information from which the Mayor, or the CFO pursuant to § 47-351.02(c), can calculate a community development score under § 47-351.07. This information may include, but need not be limited to, current community development data, Community Reinvestment Act statement and evaluation with a minimum of “satisfactory” rating on its latest Community Reinvestment Act examination, and Home Mortgage Disclosure Act reports.

(2) A noninsured institution shall submit to the Mayor, or the CFO pursuant to § 47-351.02(c), a statement of Equal Employment Opportunity or Affirmative Action.



(b) Each year the Mayor, or the CFO pursuant to § 47-351.02(c), shall compile a list of eligible financial institutions that submit the information pursuant to the requirements of subsection (a) of this section.

(c) The Mayor, or the CFO pursuant to § 47-351.02(c), shall send the solicitations for bids to all financial institutions that are eligible. The Mayor, or the CFO pursuant to § 47-351.02(c), shall remove from the eligible list those financial institutions that the Mayor, or the CFO pursuant to § 47-351.02(c), has deemed to be financially unsound and those bidders that have put District funds at risk pursuant to § 47-351.13(a).

(d) In solicitations for bids, the Mayor, or the CFO pursuant to § 47-351.02(c), shall include the following information:

(1) In the case of deposits or investments:

(A) The term of the deposit or investments;

(B) The approximate amount available for deposit or investment;

(C) The evaluation criteria; and

(D) All other information required by the Mayor, or the CFO pursuant to § 47-351.02(c), or that is necessary for compliance with this subchapter.

(2) In the case of financial services:

(A) A list of the financial services needed;

(B) The evaluation criteria; and

(C) All other information required by the Mayor, or the CFO pursuant to § 47-351.02(c), or that is necessary for compliance with this subchapter.

(e) The Mayor, or the CFO pursuant to § 47-351.02(c), may solicit bids for either single financial services or groups of financial services.

(f) If applicable, a bidder shall provide the following information in a bid:

(1) The identity of the bidder;

(2) The minimum and maximum amount of District funds the bidder will accept;

(3) The rate of return;

(4) The type of financial services to be provided and the cost to the District for the financial services;

(5) The amount of the compensating balances, if any, and the rate of return on any deposit used for a compensating balance;

(6) A description of the experience and capacity of the financial institution to perform the banking business for which the bid is submitted;

(7) Information necessary to assess risk and liquidity; and

(8) Any other information required by the Mayor, or the CFO pursuant to § 47-351.02(c).

(g) The Mayor, or the CFO pursuant to § 47-351.02(c), shall make available to each bidder the notice of the bid award including the terms of the bid award.

(h) Two or more eligible financial institutions may submit a joint bid.

(i) The Mayor, or the CFO pursuant to § 47-351.02(c), may at any time prior to the notice of award withdraw a bid solicitation for good cause. The Mayor, or the CFO pursuant to § 47-351.02(c), shall notify any financial institution that has submitted a bid prior to the withdrawal of the bid solicitation.

(j) The Mayor, or the CFO pursuant to § 47-351.02(c), may retain or maintain deposits, investments, or financial services agreements at a financial institution which is a successor to the contractual agreement.

(Mar. 18, 1998, D.C. Law 12-56, § 2(c), 44 DCR 6933; Apr. 20, 1999, D.C. Law 12-264, § 52(b), 46 DCR 2118.)

**Prior Codifications.** — 1981 Ed., § 47-351.4.

**Emergency legislation.** — See Historical and Statutory Notes following § 47-351.01.

**Legislative history of Law 12-56.** — For legislative history of D.C. Law 12-56, see His-

torical and Statutory Notes following § 47-351.01.

**Legislative history of Law 12-264.** — For legislative history of D.C. Law 12-264, see Historical and Statutory Notes following § 47-351.01.

## § 47-351.05. Competition for banking business.

(a) Except as otherwise provided by §§ 47-351.09, 47-351.10, and 47-351.11, the Mayor, or the CFO pursuant to § 47-351.02(c), shall select eligible financial institutions with which to conduct the banking business of the District based on the highest composite score for a bid. If 2 or more eligible financial institutions receive the highest composite score, the Mayor, or the CFO pursuant to § 47-351.02(c), shall select the eligible financial institution with the highest community development score calculated under § 47-351.07.

(b) The Mayor, or the CFO pursuant to § 47-351.02(c), shall calculate the composite score of an eligible financial institution in the following manner:

(1) Eighty percent based upon a financial score, calculated under § 47-351.06; and

(2) Twenty percent based upon a community development score, calculated under § 47-351.07.

(Mar. 18, 1998, D.C. Law 12-56, § 2(c), 44 DCR 6933.)

**Prior Codifications.** — 1981 Ed., § 47-351.5.

**Emergency legislation.** — See Historical and Statutory Notes following § 47-351.01.

**Legislative history of Law 12-56.** — For legislative history of D.C. Law 12-56, see Historical and Statutory Notes following § 47-351.01.

## § 47-351.06. Financial score.

The Mayor, or the CFO pursuant to § 47-351.02(c), shall calculate a financial score for each eligible financial institution. For each bid solicitation, the Mayor, or the CFO pursuant to § 47-351.02(c), shall decide how much weight and how many points to give each of the following elements to calculate the financial score:

(1) Investment and deposit bids based on the rate of return that a bidder offers;

(2) Financial services bids based on the cost of service;

(3) All bids based on an assessment of risk and financial condition;

(4) All bids based on the capacity of a bidder to perform and prior performance record; and

(5) Any other criteria required to evaluate a bid.

(Mar. 18, 1998, D.C. Law 12-56, § 2(c), 44 DCR 6933.)

**Prior Codifications.** — 1981 Ed., § 47-351.6.

**Emergency legislation.** — See Historical and Statutory Notes following § 47-351.01.



**Legislative history of Law 12-56.** — For torical and Statutory Notes following § 47-351.01.  
legislative history of D.C. Law 12-56, see His-

## § 47-351.07. Community development score.

(a) The Mayor, or the CFO pursuant to § 47-351.02(c), shall calculate the community development score by calculating a ratio of the eligible financial institution's performance for 1 or more of the criteria in each of the 3 categories under subsection (b) of this section; multiplying the ratio by the weight for each category listed in subsection (c) of this section; and then adding the weighted points for all 3 categories to produce the final community development score.

(b) The Mayor, or the CFO pursuant to § 47-351.02(c), shall calculate a ratio for an eligible financial institution's performance listed within the categories of mortgage lending, community development lending, and financial services. A ratio is the level of activity for a specific criterion divided by the institution's overall performance in the generic activity that includes the specific criterion. The criteria to be considered for mortgage lending are the total mortgage lending made in low-to-moderate income areas in the District and the total mortgage lending made in low-to-moderate income areas by third parties and purchased by the bidding financial institution in the secondary market; for community development lending are the total lending activity to small businesses located in low-to-moderate income areas in the District and the total lending to small businesses located in low-to-moderate income areas in the District by third parties and purchased by the financial institution in the secondary market; and for financial services is the number of branches in low-to-moderate income areas in the District.

(c) The Mayor, or the CFO pursuant to § 47-351.02(c), shall assign the following weighing factors to the numerical scores given under the categories listed in subsection (b) of this section, to calculate the community development score for an eligible financial institution:

- (1) Forty percent for mortgage lending;
- (2) Forty percent for community development lending; and
- (3) Twenty percent for financial services.

(d) Noninsured institutions providing investment services are exempt from providing data for a community development score as prescribed in this section. Investment services from noninsured institutions shall be awarded on the basis of a financial score, as calculated under § 47-351.06.

(e) The Mayor, or the CFO pursuant to § 47-351.02(c), shall periodically issue a report on the community development efforts of the eligible financial institutions on the eligible bidder's list.

(Mar. 18, 1998, D.C. Law 12-56, § 2(c), 44 DCR 6933; Apr. 20, 1999, D.C. Law 12-264, § 52(c), 46 DCR 2118.)

**Prior Codifications.** — 1981 Ed., § 47-351.7.

**Emergency legislation.** — See Historical and Statutory Notes following § 47-351.01.

**Legislative history of Law 12-56.** — For legislative history of D.C. Law 12-56, see His-

torical and Statutory Notes following § 47-351.01.

**Legislative history of Law 12-264.** — For legislative history of D.C. Law 12-264, see Historical and Statutory Notes following § 47-351.01.



**§ 47-351.08. Collateral and reporting requirements.**

(a) Except for securities directly purchased without a repurchase agreement and money market funds, an eligible financial institution must at all times provide collateral equal to at least 102% of the District funds held by the eligible financial institution for deposits and investments that are not fully federally insured.

(b) The Mayor, or the CFO pursuant to § 47-351.02(c), may accept as collateral any combination of the following:

(1) Bonds, bills, or notes for which the interest and principal are guaranteed by the United States government;

(2) Securities of a quasi-governmental corporation;

(3) Investment grade obligations of the District or a state or local government; or

(4) Collateralized mortgage obligations.

(c) The Mayor, or the CFO pursuant to § 47-351.02(c), may at any time classify the use of a particular type of collateral as ineligible.

(d) The Mayor, or the CFO pursuant to § 47-351.02(c), may at any time require that collateral exceed 102% of the District funds held for deposit or investment.

(e) The Mayor, or the CFO pursuant to § 47-351.02(c), shall require the eligible financial institution to place required collateral in a joint custody account established for the benefit of the District at the Federal Reserve Bank under procedures of the Federal Reserve Bank, or in an independent third-party insured institution. Collateral for investments may be placed at a third-party insured institution customer account in a Federal Reserve Bank with the approval of the Mayor, or the CFO pursuant to § 47-351.02(c).

(f) Upon written approval of the Mayor, or the CFO pursuant to § 47-351.02(c), an eligible financial institution may substitute collateral of greater or equivalent value from the various types listed in subsection (b) of this section.

(g) An eligible financial institution may not withdraw collateral previously pledged without the prior approval of the Mayor, or the CFO pursuant to § 47-351.02(c).

(h) An eligible financial institution shall submit to the Mayor, or the CFO pursuant to § 47-351.02(c), monthly verified reports that list all segregated collateral for District funds and its market value. The report shall also include the average daily balance of the amount of District funds on deposit or invested for the previous month. An insured institution shall submit copies of its quarterly call reports within 45 days after each fiscal quarter. A noninsured institution shall submit its Form 10K or annual financial statements within 60 days after each fiscal year.

(Mar. 18, 1998, D.C. Law 12-56, § 2(c), 44 DCR 6933; Apr. 20, 1999, D.C. Law 12-264, § 52(d), 46 DCR 2118; Apr. 12, 2000, D.C. Law 13-91, § 156(a), 47 DCR 520; June 16, 2006, D.C. Law 16-125, § 2(b), 53 DCR 4707.)

**Prior Codifications.** — 1981 Ed., § 47-351.8.

**Effect of amendments.** — D.C. Law 13-91 amending subsec. (h) struck the word “Noninsured” and inserted the word “noninsured” in its place.

D.C. Law 16-125, in par. (b)(2), deleted “or”; in par. (b)(3), substituted “; or” for a period at the end; and added par. (b)(4).

**Emergency legislation.** — See Historical and Statutory Notes following § 47-351.01.

**Legislative history of Law 12-56.** — For legislative history of D.C. Law 12-56, see Historical and Statutory Notes following § 47-351.01.

**Legislative history of Law 12-264.** — For

legislative history of D.C. Law 12-264, see Historical and Statutory Notes following § 47-351.01.

**Legislative history of Law 13-91.** — Law 13-91, the “Technical Amendments Act of 1999,” was introduced in Council and assigned Bill No. 13-435, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 2, 1999, and December 7, 1999, respectively. Signed by the Mayor on December 29, 1999, it was assigned Act No. 13-234 and transmitted to both Houses of Congress for its review. D.C. Law 13-91 became effective on April 12, 2000.

**Legislative history of Law 16-125.** — For Law 16-125, see notes following § 47-351.01.

## § 47-351.09. Linked deposits for community development lending.

(a) The Mayor, or the CFO pursuant to § 47-351.02(c), may make a deposit in an insured financial institution in return for a commitment by that institution to make specific community development loans in a low-to-moderate income area. The Mayor, or the CFO pursuant to § 47-351.02(c), shall determine the amount and scope of community development loans required to qualify for such linked deposits.

(b) When making a linked deposit, the Mayor, or the CFO pursuant to § 47-351.02(c), may accept a below-market interest rate that is within 3% of the market rate interest if the insured financial institution provides an equivalent reduction in the interest rate charged for the community development lending to which the deposit is linked.

(c) The Mayor, or the CFO pursuant to § 47-351.02(c), may make deposits linked to either specific loans or loan types.

(d) An insured financial institution may submit to the Mayor, or the CFO pursuant to § 47-351.02(c), a linked deposit application that includes information about the proposed community development lending and any other information the Mayor, or the CFO pursuant to § 47-351.02(c), requires.

(e) If the Mayor, or the CFO pursuant to § 47-351.02(c), approves a linked deposit application, the Mayor, or the CFO pursuant to § 47-351.02(c), and the insured financial institution shall enter into an agreement that includes each of the following terms and conditions and any others the Mayor, or the CFO pursuant to § 47-351.02(c), may require:

(1) A requirement that the insured institution shall not assign or sell a loan made with the proceeds of a linked deposit without approval of the Mayor, or the CFO pursuant to § 47-351.02(c), as long as the linked deposit is in effect;

(2) A requirement that a delay in payment or default by a borrower receiving a linked deposit loan does not affect the agreement between the insured financial institution and the Mayor, or the CFO pursuant to § 47-351.02(c);

(3) The terms of the deposit;

(4) A requirement that the Mayor, or the CFO pursuant to § 47-351.02(c), shall monitor compliance with the agreement; and



(5) The terms of the community development loans lending effort.

(f) The total amount of linked deposits and community development program deposits shall not exceed 7% of the average annual investment balance of the latest audited fiscal year.

(Mar. 18, 1998, D.C. Law 12-56, § 2(c), 44 DCR 6933.)

**Prior Codifications.** — 1981 Ed., § 47-351.9.

**Emergency legislation.** — See Historical and Statutory Notes following § 47-351.01.

**Legislative history of Law 12-56.** — For legislative history of D.C. Law 12-56, see Historical and Statutory Notes following § 47-351.01.

## § 47-351.10. Preservation of banking services.

(a) Without regard to the competitive bidding requirements of §§ 47-351.04 and 47-351.05, the Mayor, or the CFO pursuant to § 47-351.02(c), may place deposits or investments at an insured financial institution for the purpose of maintaining banking services in a low-to-moderate income area in the District.

(b) If the Mayor, or the CFO pursuant to § 47-351.02(c), waives the requirements of §§ 47-351.04 and 47-351.05, the Mayor, or the CFO pursuant to § 47-351.02(c), shall execute a community development program agreement with the insured financial institution or certify that the insured financial institution is meeting the objectives of an existing community development program.

(c) For the purposes of this section only, a community development program agreement shall meet the requirements of § 26-704(d).

(Mar. 18, 1998, D.C. Law 12-56, § 2(c), 44 DCR 6933.)

**Prior Codifications.** — 1981 Ed., § 47-351.10.

**Emergency legislation.** — See Historical and Statutory Notes following § 47-351.01.

**Legislative history of Law 12-56.** — For legislative history of D.C. Law 12-56, see Historical and Statutory Notes following § 47-351.01.

## § 47-351.11. District funds reserved for certain insured institutions.

Without regard to the competitive bidding requirements of §§ 47-351.05 and 47-351.07, the Mayor, or the CFO pursuant to § 47-351.02(c), may reserve up to 10% of District funds available for deposit or investment in order to make an investment or a deposit with one or more insured financial institutions located in the District that have less than \$550 million in assets. The amount available for deposit or investment is to be calculated based upon the prior year's average investment balance. In selecting an insured financial institution under this section, the Mayor, or the CFO pursuant to § 47-351.02(c), shall follow the provisions of § 47-351.04 and shall encourage the use of women-owned banks and federally or District chartered minority-owned banks certified by the Small and Local Business Opportunity Commission in accordance with [subchapter IX-A of Chapter 2 of Title 2]. The amount of District funds deposited in any such institution shall not exceed the federally insured amount, unless the amount of District funds deposited that exceed the



federally insured amount meet the collateral requirements set forth in § 47-351.08 and the permitted investment instrument provisions set forth in § 47-351.03.

(Mar. 18, 1998, D.C. Law 12-56, § 2(c), 44 DCR 6933; October 4, 2000, D.C. Law 13-169, § 8, 47 DCR 5846; Oct. 20, 2005, D.C. Law 16-33, § 2381(c), 52 DCR 7503; Mar. 20, 2008, D.C. Law 17-124, § 2, 55 DCR 1516.)

**Prior Codifications.** — 1981 Ed., § 47-351.11.

**Effect of amendments.** — D.C. Law 13-169 authorized striking the phrase “Minority Business Opportunity Commission in accordance with § 1-1141 et seq.” and inserting the phrase “Local Business Opportunity Commission in accordance with subchapter II-B of Chapter 2 of Title 2.” in its place.

D.C. Law 16-33 substituted “Small and Local Business Opportunity Commission in accordance with subchapter IX-A of Chapter 2 of Title 2” for “District of Columbia Local Business Opportunity Commission in accordance with subchapter IX of Chapter 2 of Title 2”.

D.C. Law 17-124 substituted “10%” for “1%”; substituted “550” for “350”; and inserted “, unless the amount of District funds deposited that exceed the federally insured amount meet the collateral requirements set forth in § 47-351.08 and the permitted investment instrument provisions set forth in § 47-351.03”.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 8 of Equal Opportunity for Local, Small, or Disadvantaged Business Enterprises Temporary Amendment Act of 2000 (D.C. Law 13-216, April 3, 2001, law notification 48 DCR 3458).

**Emergency legislation.** — See Historical and Statutory Notes following § 47-351.01.

For temporary (90-day) amendment of section, see § 8 of the Equal Opportunity for Local, Small, or Disadvantaged Business Enterprises Emergency Amendment Act of 2000 (D.C. Act 13-415, August 14, 2000, 47 DCR 7296).

For temporary (90 day) amendment of section, see § 2381(c) of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

**Legislative history of Law 12-56.** — For legislative history of D.C. Law 12-56, see Historical and Statutory Notes following § 47-351.01.

**Legislative history of Law 13-169.** — Law 13-169, the “Equal Opportunity for Local, Small, or Disadvantaged Business Enterprises Amendment Act of 2000,” was introduced in Council and assigned Bill No. 13-241, which was referred to the Committee on Economic Development. The Bill was adopted on first and second readings on April 4, 2000, and June 6, 2000, respectively. Signed by the Mayor on June 26, 2000, it was assigned Act No. 13-373 and transmitted to both Houses of Congress for its review. D.C. Law 13-169 became effective on October 4, 2000.

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Legislative history of Law 17-124.** — Law 17-124, the “District Funds Reserved Act of 2008”, was introduced in Council and assigned Bill No. 17-73 which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on December 11, 2007, and January 8, 2008, respectively. Signed by the Mayor on January 29, 2008, it was assigned Act No. 17-273 and transmitted to both Houses of Congress for its review. D.C. Law 17-124 became effective on March 20, 2008.

## § 47-351.12. Public disclosure.

(a) Except as provided in subsection (b) of this section, all information submitted by a financial institution to the Mayor, or the CFO pursuant to § 47-351.02(c), shall be available for public inspection and reproduction during regular business hours.

(b) Proprietary financial and commercial information of any financial institution shall be kept confidential.

(c) A breach of confidentiality shall be subject to the penalties set forth in § 47-351.15.

(Mar. 18, 1998, D.C. Law 12-56, § 2(c), 44 DCR 6933.)

**Prior Codifications.** — 1981 Ed., § 47-351.12.

**Emergency legislation.** — See Historical and Statutory Notes following § 47-351.01.

**Legislative history of Law 12-56.** — For legislative history of D.C. Law 12-56, see Historical and Statutory Notes following § 47-351.01.

## § 47-351.13. Protection of District funds at risk.

(a) The Mayor, or the CFO pursuant to § 47-351.02(c), may take the action provided for in subsection (b) of this section to protect District funds if:

(1) A financial institution fails to return a deposit upon demand or upon the termination of or pursuant to the terms of an agreement;

(2) A financial institution fails to pay a valid check, draft, or warrant issued by the Mayor, or the CFO pursuant to § 47-351.02(c);

(3) A financial institution fails to honor a request for the electronic transfer of District funds;

(4) A financial institution fails to account for a check, draft, warrant, order, deposit, certificate, or money that the District entrusts to it;

(5) A financial institution fails to return an investment under the terms of an agreement or upon the termination of an agreement;

(6) A financial institution fails to perform under the terms of an agreement involving banking business;

(7) A financial institution fails to maintain the required collateral pursuant to § 47-351.08;

(8) A court or a federal, District, or state banking regulator orders a financial institution to refrain from making payments on its liabilities;

(9) A court or a federal, District, or state banking regulator appoints a conservator or receiver for the financial institution;

(10) The Mayor, or the CFO pursuant to § 47-351.02(c), determines that the financial institution is financially unsound;

(11) A financial institution fails to comply with this subchapter; or

(12) Any other action has occurred or is impending which the Mayor, or the CFO pursuant to § 47-351.02(c), decides would place District funds in jeopardy.

(b) If the Mayor, or the CFO pursuant to § 47-351.02(c), determines that any condition under subsection (a) of this section exists, the Mayor, or the CFO pursuant to § 47-351.02(c), may, without any further action:

(1) Withdraw or demand the return of District funds immediately;

(2) Take action to seize all collateral provided under section 9;

(3) Liquidate collateral and retain proceeds in the amount equal to District funds held by the financial institution plus liquidation costs;

(4) Direct the financial institution to immediately stop performing any financial services for the District;

(5) Terminate any agreement relating to banking business;

(6) Remove the financial institution from the eligible bidder's list; or

(7) Take other action deemed necessary for the protection of District funds.

(Mar. 18, 1998, D.C. Law 12-56, § 2(c), 44 DCR 6933.)



## § 47-351.14

TAXATION, LICENSING, PERMITS, ETC.

**Prior Codifications.** — 1981 Ed., § 47-351.13.

**Emergency legislation.** — See Historical and Statutory Notes following § 47-351.01.

**Legislative history of Law 12-56.** — For legislative history of D.C. Law 12-56, see Historical and Statutory Notes following § 47-351.01.

## § 47-351.14. Check cashing; identification.

(a) An eligible financial institution shall cash checks issued by the District government without charge for both account and non-account holders.

(b) An insured institution may require a holder of a check meeting the requirements of subsection (a) of this section to show proper identification. Proper identification is any form of identification as required by the bank in accordance with its rules and regulations.

(Mar. 18, 1998, D.C. Law 12-56, § 2(c), 44 DCR 6933.)

**Prior Codifications.** — 1981 Ed., § 47-351.14.

**Emergency legislation.** — See Historical and Statutory Notes following § 47-351.01.

**Legislative history of Law 12-56.** — For legislative history of D.C. Law 12-56, see Historical and Statutory Notes following § 47-351.01.

## § 47-351.15. Penalties.

Any director, officer, manager, agent, or employee of an eligible financial institution who knowingly violates a provision of this subchapter may, upon conviction, be fined not less than \$500 nor more than \$2,000.

(Mar. 18, 1998, D.C. Law 12-56, § 2(c), 44 DCR 6933.)

**Prior Codifications.** — 1981 Ed., § 47-351.15.

**Emergency legislation.** — See Historical and Statutory Notes following § 47-351.01.

**Legislative history of Law 12-56.** — For legislative history of D.C. Law 12-56, see Historical and Statutory Notes following § 47-351.01.

## § 47-351.16. Rulemaking.

The Mayor, pursuant to title 1 of the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1204; § 2-501 et seq.), shall issue rules to implement the provisions of this subchapter.

(Mar. 18, 1998, D.C. Law 12-56, § 2(c), 44 DCR 6933.)

**Prior Codifications.** — 1981 Ed., § 47-351.16.

**Emergency legislation.** — See Historical and Statutory Notes following § 47-351.01.

**Legislative history of Law 12-56.** — For legislative history of D.C. Law 12-56, see Historical and Statutory Notes following § 47-351.01.

### *Subchapter III-B. Anti-Deficiency.*

## § 47-355.01. Definitions.

For the purposes of this subchapter, the term:

(1) “Agency” means an agency, office, department, board, commission, or independent agency or instrumentality of the District Government.



(2) “Apportionment” means the division of an agency’s appropriated budget authority by periods within a fiscal year.

(3) “Employee” means an individual who performs a function of the District Government and who receives compensation for the performance of that function.

(4) “Manager” means an individual chosen or appointed to manage, direct, or administer some affairs of the agency, including the expenditure of funds.

(5) “Program” means the highest level, for budgeting and expenditure control, within the agency that the District of Columbia Government uses for a specific purpose for appropriated budget authority. A program may consist of multiple activities, which combined achieve the stated purpose and goals.

(Apr. 4, 2003, D.C. Law 14-285, § 2, 50 DCR 940; Mar. 13, 2004, D.C. Law 15-105, § 77(a), 51 DCR 881.)

**Effect of amendments.** — D.C. Law 15-105, in the introductory paragraph, validated a previously made technical correction.

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 1102(a) of Fiscal Year 2013 Budget Support Emergency Act of 2012 (D.C. Act 19-383, June 19, 2012, 59 DCR 7764).

For temporary (90 day) amendment of section, see § 1102(a) of Fiscal Year 2013 Budget Support Congressional Review Emergency Act of 2012 (D.C. Act 19-413, July 25, 2012, 59 DCR 9290).

**Legislative history of Law 14-285.** — Law 14-285, the “District Anti-Deficiency Act of 2002”, was introduced in Council and assigned Bill No. 14-811, which was referred to Committee of the Whole. The Bill was adopted on first and second readings on December 3, 2002, and December 17, 2002, respectively. Signed by the Mayor on January 22, 2003, it was assigned Act

No. 14-619 and transmitted to both Houses of Congress for its review. D.C. Law 14-285 became effective on April 4, 2003.

**Legislative history of Law 15-105.** — For Law 15-105, see notes following § 47-340.22.

**Mayor’s Orders.** — Allocation of Spending (FY 2011), see Mayor’s Order 2010-160, October 8, 2010 (57 DCR 9559).

Rescission of Quarterly Apportionment Provisions and Non-Personal Services Restrictions for Subordinate Executive Branch Agencies Imposed Under Mayor’s Order 2010-160, see Mayor’s Order 2011-35, January 19, 2011 (58 DCR 869).

NPS Restrictions for Subordinate Executive Branch Agencies, see Mayor’s Order 2011-102, May 18, 2011 (58 DCR 4678).

Allocation of Spending (FY 2012), see Mayor’s Order 2011-188, December 1, 2011 (58 DCR 10385).

## § 47-355.02. Limitations on expenditures and obligating amounts.

A District agency head, deputy agency head, agency fiscal officer, agency budget director, agency controller, manager, or other employee may not:

(1) Make or authorize an expenditure or obligation exceeding an amount available in an appropriation for an agency or fund;

(2) Obligate the District for the payment of money before an appropriation is made or before a certification of the availability of funds is made, unless authorized by law;

(3) Approve a disbursement without appropriate authorization;

(4) Defer recording a transaction incurred in the current fiscal year to a future fiscal year;

(5) Allow an expenditure or obligation to exceed apportioned amounts;

(6) Fail to submit a required plan or projection in a timely manner;

(7) Knowingly report incorrectly on spending to date or on projected total annual spending; or

(8) Fail to adhere to a spending plan through overspending that is greater than 5% of the agency's budget, or \$1 million, regardless of the percentage.

(Apr. 4, 2003, D.C. Law 14-285, § 2, 50 DCR 940; Mar. 14, 2007, D.C. Law 16-293, § 2(a), 54 DCR 1083.)

**Effect of amendments.** — D.C. Law 16-293 rewrote the section, which formerly read:

"A District agency head, deputy agency head, agency chief financial officer, agency budget director, agency controller, manager, or other employee may not:

"(1) Make or authorize an expenditure or obligation exceeding an amount available in an appropriation or fund;

"(2) Involve the District in a contract or obligation for the payment of money before an appropriation is made unless authorized by law;

"(3) Approve a disbursement without appropriate authorization; or

"(4) Defer recording a transaction incurred in the current fiscal year to a future fiscal year."

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 1102(b) of Fiscal Year 2013 Budget Support Emergency Act of 2012 (D.C. Act 19-383, June 19, 2012, 59 DCR 7764).

For temporary (90 day) amendment of section, see § 1102(b) of Fiscal Year 2013 Budget Support Congressional Review Emergency Act of 2012 (D.C. Act 19-413, July 25, 2012, 59 DCR 9290).

**Legislative history of Law 14-285.** — For Law 14-285, see notes following § 47-355.01.

**Legislative history of Law 16-293.** — Law 16-293, the "Anti-Deficiency Act Revision Act of 2006", was introduced in Council and assigned Bill No. 16-988, which was referred to Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 14, 2006, and December 5, 2006, respectively. Signed by the Mayor on December 28, 2006, it was assigned Act No. 16-652 and transmitted to both Houses of Congress for its review. D.C. Law 16-293 became effective on March 14, 2007.

**Mayor's Orders.** — Allocation of Spending (FY 2010), see Mayor's Order 2010-24, February 5, 2010 (57 DCR 1276).

### § 47-355.03. Reporting requirements of managers.

A manager shall develop year-end spending projections, by source of funds, on a quarterly basis, which show year-to-date spending, approved budget, year-end projected spending, explanations of variances greater than 5%, and in the case of overspending, a corrective action plan. Spending projections shall be submitted to the agency head and the agency fiscal officer. Summarized agency spending projections shall be submitted to the Chief Financial Officer no more than 30 days after the end of the quarter.

(Apr. 4, 2003, D.C. Law 14-285, § 2, 50 DCR 940; Mar. 14, 2007, D.C. Law 16-293, § 2(b), 54 DCR 1083.)

**Effect of amendments.** — D.C. Law 16-293, substituted "quarterly" for "monthly", "fiscal" for "chief financial", and "quarter" for "month".

**Legislative history of Law 14-285.** — For Law 14-285, see notes following § 47-355.01.

**Legislative history of Law 16-293.** — For Law 16-293, see notes following § 47-355.02.

### § 47-355.04. Reporting requirements of agency heads and chief financial officers.

(a) By October 1 of each year, an agency head and agency fiscal officer shall jointly submit to the Chief Financial Officer a monthly spending plan and a Schedule A, each by source of funds, based on the budget submitted to Congress. If an agency's budget is changed after Congressional submission, a



revised spending plan and a revised Schedule A, each by source of funds, must be submitted to the Chief Financial Officer within one month of final approval of the budget.

(b) Any revision to an agency's approved operating budget during a fiscal year shall be reflected in a revised spending plan submitted to the Chief Financial Officer within one month of the approval of the revised budget.

(Apr. 4, 2003, D.C. Law 14-285, § 2, 50 DCR 940; Mar. 14, 2007, D.C. Law 16-293, § 2(c), 54 DCR 1083.)

**Effect of amendments.** — D.C. Law 16-293, in subsec. (a), substituted "agency fiscal officer" for "agency chief financial officer" and "one month" for "15 days"; and in subsec. (b), substituted "one month" for "10 days".

**Legislative history of Law 14-285.** — For Law 14-285, see notes following § 47-355.01.

**Legislative history of Law 16-293.** — For Law 16-293, see notes following § 47-355.02.

### **§ 47-355.05. Reporting requirements of the Chief Financial Officer and Agency Fiscal Officers.**

(a) The Chief Financial Officer shall submit reports to the Council and the Mayor on a quarterly basis indicating each agency's actual expenditures, obligations, and commitments, each by source of funds, compared to their approved spending plan. This report shall be accompanied by the CFO's observations regarding spending patterns and steps being taken to assure spending remains within the approved budget.

(a-1) Each Agency Financial Officer ("AGO") shall submit quarterly reports to the Chairperson of the Council committee that has purview over the AGO's agency. Each report shall include the agency's actual expenditures, obligations, and commitments, organized by source of funds, and compared to their approved spending plan. The report shall be accompanied by the AGO's analysis of spending patterns and of the steps taken to assure that spending remains within the approved budget.

(b) The Chief Financial Officer shall be required to develop the quarterly apportionment of funds, by source of funds, for each agency based on the spending plans submitted by agency heads and agency fiscal officers. The apportionment shall be binding on agencies unless otherwise modified by the Chief Financial Officer.

(c) The Chief Financial Officer shall determine when each agency will transition to the quarterly apportionment of funds, so long as all agencies transition to quarterly apportionment within 3 years of [April 4, 2003].

(d) Nothing in this section is intended to interfere with the exclusive authority and discretion of the District of Columbia Retirement Board to manage and control retirement funds pursuant to [Chapter 7 of Title 1].

(e)(1) The Chief Financial Officer shall submit a quarterly summary to the Council and the Mayor on all:

(A) Reprogrammings;

(B) Intra-District transfers; and

(C) Other budget modifications that involve a change in the purpose of the use of the funds that are not included in the annual budget and are more than \$50,000 and less than \$500,000.



(2)(A) The summary shall set forth clearly and concisely each budget category affected by the reprogramming, intra-District transfer, or other budget modification, as described in paragraph (1) of this subsection, showing the original and new amounts, as follows:

(i) For the operating budget, by:

- (I) Agency;
- (II) Object category; and
- (III) Object class; and

(ii) For capital projects, by:

- (I) Program;
- (II) Agency;
- (III) Object category; and
- (IV) Project and subproject.

(B) For capital projects, the summary shall also describe any consequences of the shift, such as personnel shifts or equipment transfers.

(Apr. 4, 2003, D.C. Law 14-285, § 2, 50 DCR 940; Mar. 13, 2004, D.C. Law 15-105, § 77(b), 51 DCR 881; Mar. 14, 2007, D.C. Law 16-293, § 2(d), 54 DCR 1083; Mar. 25, 2009, D.C. Law 17-353, § 169, 56 DCR 1117; Sept. 24, 2010, D.C. Law 18-223, § 7142(b), 57 DCR 6242; Apr. 8, 2011, D.C. Law 18-370, § 122(a), 58 DCR 1008.)

**Effect of amendments.** — D.C. Law 15-105, in subsec. (d), validated a previously made technical correction.

D.C. Law 16-293, substituted “agency fiscal officer” for “agency chief financial officer”.

D.C. Law 17-353 validated a previously made technical correction in subsec. (b).

D.C. Law 18-223, in the section heading, substituted “Chief Financial Officer and Agency Fiscal Officers” for “Chief Financial Officer”; and added subsec. (a-1).

D.C. Law 18-370 added subsec. (e).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 7142(b) of Fiscal Year 2011 Budget Support Emergency Act of 2010 (D.C. Act 18-463, July 2, 2010, 57 DCR 6542).

For temporary (90 day) amendment of section, see § 3 of Financial Stability Measures Clarification Emergency Amendment Act of 2010 (D.C. Act 18-593, November 3, 2010, 57 DCR 10475).

For temporary (90 day) amendment of section, see § 122(a) of Fiscal Year 2011 Supplemental Budget Support Emergency Act of 2010 (D.C. Act 18-694, January 19, 2011, 58 DCR 662).

**Legislative history of Law 14-285.** — For Law 14-285, see notes following § 47-355.01.

**Legislative history of Law 15-105.** — For Law 15-105, see notes following § 47-340.22.

**Legislative history of Law 16-293.** — For Law 16-293, see notes following § 47-355.02.

**Legislative history of Law 17-353.** — For Law 17-353, see notes following § 47-308.

**Legislative history of Law 18-223.** — Law 18-223, the “Fiscal Year 2011 Budget Support Act of 2010”, was introduced in Council and assigned Bill No. 18-731, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on May 26, 2010, and June 15, 2010, respectively. Signed by the Mayor on July 2, 2010, it was assigned Act No. 18-462 and transmitted to both Houses of Congress for its review. D.C. Law 18-223 became effective on September 24, 2010.

**Legislative history of Law 18-370.** — For history of Law 18-370, see notes under § 47-143.

**Short title.** — Short title: Section 7141 of D.C. Law 18-223 provided that subtitle O of title VII of the act may be cited as the “Agency Financial Reporting Act of 2010”.

Short title: Section 121 of D.C. Law 18-370 provided that subtitle C of title I of the act may be cited as “Reprogramming Policy Reform Act of 2010”.

## § 47-355.06. Penalties.

An agency head, deputy agency head, agency fiscal officer, agency budget director, agency controller, manager, or other employee may be subject to

adverse personnel action, including removal, for violating any provision in § 47-355.02.

(Apr. 4, 2003, D.C. Law 14-285, § 2, 50 DCR 940; Mar. 13, 2004, D.C. Law 15-105, §§ 12(a), 77(c), 51 DCR 881; Mar. 14, 2007, D.C. Law 16-293, § 2(e), 54 DCR 1083.)

**Effect of amendments.** — D.C. Law 15-105, in par. (1), validated previously made technical corrections.

D.C. Law 16-293, rewrote this section, which formerly read:

“An agency head, deputy agency head, agency chief financial officer, agency budget director, agency controller, manager, or other employee may be subject to adverse personnel action, including removal, for:

“(1) Violating § 47-355.02;

“(2) Allowing an expenditure or obligation to exceed apportioned amounts;

“(3) Not submitting a required plan or projection in a timely manner;

“(4) Knowingly reporting incorrectly on spending to date or on projected total annual spending; or

“(5) Failure to adhere to a spending plan.”

**Legislative history of Law 14-285.** — For Law 14-285, see notes following § 47-355.01.

**Legislative history of Law 15-105.** — For Law 15-105, see notes following § 47-340.22.

**Legislative history of Law 16-293.** — For Law 16-293, see notes following § 47-355.02.

## § 47-355.07. Establishment of Review Board.

(a) Within 30 days of [April 4, 2003], the Mayor and Chief Financial Officer shall establish a review board, which shall convene, within 60 days of an alleged violation of § 47-355.02, to investigate the causes of the violation. The review board shall assess the culpability of responsible employees, recommend an appropriate disciplinary action, and report to the Council the actions proposed to be taken based on the review board's findings.

(b) The report to the Council shall include all relevant facts, including the following:

(1) The violation;

(2) The name and title of the employees who were responsible for the violation;

(3) Any justification; and

(4) A statement of the action taken or proposed to be taken.

(c) The review board may recommend that no action be taken where it finds a justification for the violation or may determine that no violation actually occurred. Justification may include overspending as a result of court orders, entitlements, or explicit authorization in an appropriations act.

(d) Subsection (a) of this section shall not be a prerequisite for adverse personnel action under this subchapter.

(Apr. 4, 2003, D.C. Law 14-285, § 2, 50 DCR 940; Mar. 13, 2004, D.C. Law 15-105, §§ 12(b), 77(d), 51 DCR 881; Mar. 14, 2007, D.C. Law 16-293, § 2(f), 54 DCR 1083.)

**Effect of amendments.** — D.C. Law 15-105, in subsec. (a), substituted “§ 47-355.06” for “subsection (a) of this section”; and, in subsec. (c), validated a previously made technical correction.

D.C. Law 16-293, rewrote subsecs. (a) and (c), which formerly read:

“(a) Within 30 days of April 4, 2003, the Mayor and Chief Financial Officer shall establish a review board, which shall within 30 days of learning of a violation specified in § 47-355.06 by an agency convene a review board to investigate the causes of the violation. The review board shall assess the culpability of



responsible employees, recommend an appropriate disciplinary action, and report to the Council the actions proposed to be taken based on the review board's findings."

"(c) The review board may recommend that no action be taken where it finds a justification for the violation. Justification may include overspending as a result of court orders, entitlements, or explicit authorization in an appropriations act."

**Legislative history of Law 14-285.** — For Law 14-285, see notes following § 47-355.01.

**Legislative history of Law 15-105.** — For Law 15-105, see notes following § 47-340.22.

**Legislative history of Law 16-293.** — For Law 16-293, see notes following § 47-355.02.

**Delegation of Authority.** — Delegation of Mayor's Rulemaking Authority to the Board of Review for Anti-Deficiency Violations, see Mayor's Order 2004-125, August 2, 2004 (51 DCR 8006).

**Editor's notes.** — Establishment—Board of Review for Anti-Deficiency Violations, see Mayor's Order 2003-156, November 7, 2003 (50 DCR 10187).

## § 47-355.08. Notice requirement.

Within 30 days of the effective date of this subchapter [April 4, 2003], the Mayor shall issue an administrative order advising all District agency heads, deputy agency heads, chief financial officers, agency budget directors, agency controllers, and other managers of the requirement of this subchapter.

(Apr. 4, 2003, D.C. Law 14-285, § 2, 50 DCR 940; Mar. 13, 2004, D.C. Law 15-105, § 77(a), 51 DCR 881.)

**Effect of amendments.** — D.C. Law 15-105 validated a previously made technical correction.

**Legislative history of Law 14-285.** — For Law 14-285, see notes following § 47-355.01.

**Legislative history of Law 15-105.** — For Law 15-105, see notes following § 47-340.22.

## *Subchapter IV. Reprogramming Policy.*

## § 47-361. Definitions.

For the purposes of this subchapter, the term:

(1) "Agency" means the highest organizational unit of the District of Columbia government at which budgeting data is aggregated.

(2) "Agency funding source" means the designated resource or fund to which expenditures shall be charged.

(3) "Budget" means the entire annual appropriation, including borrowing and spending authority, for all activities of all agencies of the District of Columbia government financed from all existing, proposed, or anticipated resources.

(4) "Budget category" means:

(A) For the operating budget: agencies, programs, agency funding sources, object categories, and object classes, as shown in the budget; and

(B) For the capital budget: agencies, agency funding sources, and capital projects and subprojects, as shown in the budget.

(5) "Capital budget" means that part of the budget that describes the annual element of the multiyear capital improvements plan.

(6) "Capital project" shall have the same meaning as provided in section



103(8) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 777; D.C. Official Code § 1-201.03(8)).

(7) "Highway Trust Fund" means the District of Columbia Highway Trust Fund, established by section 102 of the Highway Trust Fund Establishment Act and the Water and Sewer Authority Amendment Act of 1996, effective April, 1997 (D.C. Law 11-184; D.C. Official Code § 9-111.01), and the Federal Highway Trust Fund, established pursuant to Title 23 of the United States Code.

(8) "Intra-District transfer" means a budget modification that involves the movement of \$50,000 or more in funds from one agency to another agency for the same purpose for which the funds were appropriated.

(9) "Object category" means the 2 major types of expenditures, which are personal services and non-personal services.

(10) "Object class" means the subdivision of specific types of expenditures in the operating budget, such as fringe benefits and supplies.

(11) "Offsetting" means an increase that is matched by a decrease with no change occurring in budget authority.

(12) "Operating budget" means that part of the budget for the operation of the District government, excluding the capital budget.

(13) "Program" means the highest level of budgeting and expenditure control within an agency that is designated for a specific purpose in the operating budget, which may consist of multiple actions necessary to achieve the stated purpose and goals.

(14) "Reprogramming" means a budget modification of \$500,000 or more for purposes other than those originally authorized that results in an offsetting reallocation of budget authority from one budget category to another budget category.

(Sept. 16, 1980, D.C. Law 3-100, § 2, 27 DCR 3617; Apr. 3, 1984, D.C. Law 5-70, § 2(a), 31 DCR 628; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Oct. 1, 2002, D.C. Law 14-190, § 102(a), 49 DCR 6968; Mar. 3, 2010, D.C. Law 18-111, § 1131(a), 57 DCR 181; Apr. 8, 2011, D.C. Law 18-370, § 122(b), 58 DCR 1008.)

**Prior Codifications.** — 1981 Ed., § 47-361.

**Effect of amendments.** — D.C. Law 14-190 added pars. (8A) and (8B).

D.C. Law 18-111, in par. (2A), substituted "centers, responsibility centers, capital projects, capital sub-projects, and, in a performance-based agency, includes programs, activities, and object classes" for "centers and responsibility centers".

D.C. Law 18-370 rewrote the section, which formerly read:

"As used in this subchapter, the term:

"(1) 'Agency' means the highest organizational structure of the District of Columbia government at which budgeting data is aggregated.

"(2) 'Appropriated budget authority' means authorization by an act of the Congress that permits the District of Columbia government to

incur obligations and make payments for specific purposes against funds included in the annual appropriations act for the District of Columbia.

"(2A) 'Budget category' includes control centers, responsibility centers, capital projects, capital sub-projects, and, in a performance-based agency, includes programs, activities, and object classes.

"(3) 'Control center' means the organizational authority subject to approval by Congress in the annual appropriations act for the District of Columbia.

"(4) 'Council' means the Council of the District of Columbia.

"(5) 'Gross-obligation budget' means budget authority from all sources of funding.

"(6) 'Non-appropriated budget authority' means the ability of the District of Columbia

government to incur obligations and make payments for specified purposes against funds which are not subject to approval by the Congress in the annual appropriations act for the District of Columbia.

“(7) ‘Non-offsetting’ means an increase or decrease that occurs in the gross-obligation budget or in the appropriated budget authority.

“(8) ‘Offsetting’ means an increase that is matched by a decrease such that no change occurs in the gross-obligation budget or in the appropriated budget authority.

“(8A) ‘Performance-based budgeting’ shall have the same meaning as the term is defined in § 47-308.01(a).

“(8B) ‘Program’ means the highest level, for budgeting and expenditure control, within an agency that the District of Columbia government uses for a specific purpose for appropriated budget authority, which may consist of multiple activities that combined, assist the program in achieving the stated purpose and goals.

“(9) ‘Reprogramming’ means any budget modification which results in an offsetting reallocation of funds from 1 budget category to another, for purposes other than those originally planned.

“(10) ‘Responsibility center’ means the organizational component below the control center level.”

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 102(a) of Fiscal Year 2003 Budget Support Emergency Act of 2002 (D.C. Act 14-453, July 23, 2002, 49 DCR 8026).

For temporary (90 day) amendment of section, see § 1002(a) of Fiscal Year 2010 Budget Support Emergency Act of 2009 (D.C. Act 18-187, August 26, 2009, 56 DCR 7374).

For temporary (90 day) amendment of section, see § 1131(a) of Fiscal Year 2010 Budget Support Second Emergency Act of 2009 (D.C. Act 18-207, October 15, 2009, 56 DCR 8234).

For temporary (90 day) amendment of section, see § 1131(a) of Fiscal Year Budget Support Congressional Review Emergency Amendment Act of 2009 (D.C. Act 18-260, January 4, 2010, 57 DCR 345).

For temporary (90 day) amendment of section, see § 122(b) of Fiscal Year 2011 Supple-

mental Budget Support Emergency Act of 2010 (D.C. Act 18-694, January 19, 2011, 58 DCR 662).

**Legislative history of Law 3-100.** — Law 3-100, the “Reprogramming Policy Act of 1980,” was introduced in Council and assigned Bill No. 3-298, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on June 17, 1980 and July 1, 1980, respectively. Signed by the Mayor on July 16, 1980, it was assigned Act No. 3-222 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 5-70.** — Law 5-70 was introduced in Council and assigned Bill No. 5-237, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on January 3, 1984 and January 17, 1984, respectively. Signed by the Mayor on February 7, 1984, it was assigned Act No. 5-105 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 14-190.** — For Law 14-190, see notes following § 47-308.01.

**Legislative history of Law 18-111.** — For Law 18-111, see notes following § 47-305.02.

**Legislative history of Law 18-370.** — For history of Law 18-370, see notes under § 47-143.

**Short title.** — Short title of title I of Law 14-190: Section 101 of D.C. Law 14-190 provided that title I of the act may be cited as the Reprogramming Policy Act of 2002.

Short title: Section 1130 of D.C. Law 18-111 provided that subtitle N of title I of the act may be cited as the “Reprogramming Policy Act of 2009”.

**Editor’s notes.** — Appropriations authorized for reprogramming: Section 118 of Pub. L. 102-382, 106 Stat. 1432, the District of Columbia Appropriations Act, 1993, provided that none of the funds appropriated by this Act may be obligated or expended by reprogramming except pursuant to advance approval of the reprogramming granted according to the procedure set forth in the Joint Explanatory Statement of the Committee of Conference (House Report No. 96-443), which accompanied the District of Columbia Appropriations Act, 1980, approved October 30, 1979 (93 Stat. 713; Public Law 96-93), as modified in House Report No. 98-265, and in accordance with § 47-361 et seq.

## § 47-362. Policies enumerated.

(a) A reprogramming shall be used only when an unforeseen situation develops, and then only if postponement until the next appropriations cycle would result in a serious hardship in the management of the City.

(b) Reprogrammings shall not be used to establish new programs or to change allocations specifically denied, limited, or increased by the Council in the budget act, or the accompanying budget report or mark-up sheets.



(c) Any program or project deferred through reprogramming shall not be later accomplished by means of further reprogramming. Funding for such section shall await the regular budget request.

(d) Should unusual circumstances require changes to the policies included in subsections (a) through (c) of this section, proposals shall be submitted to the Council for approval regardless of the dollar amount involved.

(e) Repealed.

(Sept. 16, 1980, D.C. Law 3-100, § 3, 27 DCR 3617; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Oct. 3, 2001, D.C. Law 14-28, § 102, 48 DCR 6981; Mar. 3, 2010, D.C. Law 18-111, § 1131(b), 57 DCR 181.)

**Prior Codifications.** — 1981 Ed., § 47-362.

**Effect of amendments.** — D.C. Law 14-28 added subsec. (e).

D.C. Law 18-111 repealed subsec. (e).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 102 of Fiscal Year 2002 Budget Support Emergency Act of 2001 (D.C. Act 14-124, August 3, 2001, 48 DCR 7861).

For temporary (90 day) amendment of section, see § 1002(b) of Fiscal Year 2010 Budget Support Emergency Act of 2009 (D.C. Act 18-187, August 26, 2009, 56 DCR 7374).

For temporary (90 day) amendment of section, see § 1131(b) of Fiscal Year 2010 Budget

Support Second Emergency Act of 2009 (D.C. Act 18-207, October 15, 2009, 56 DCR 8234).

For temporary (90 day) amendment of section, see § 1131(b) of Fiscal Year Budget Support Congressional Review Emergency Amendment Act of 2009 (D.C. Act 18-260, January 4, 2010, 57 DCR 345).

**Legislative history of Law 3-100.** — For legislative history of D.C. Law 3-100, see Historical and Statutory Notes following § 47-361.

**Legislative history of Law 14-28.** — For Law 14-28, see notes following § 47-308.01.

**Legislative history of Law 18-111.** — For Law 18-111, see notes following § 47-305.02.

## § 47-363. Council approval of reprogrammings.

(a) The Mayor shall submit to the Council for approval a reprogramming request that individually or on a cumulative basis would result in a change to the original appropriated authority, along with certification by the Chief Financial Officer of the availability of funds for the reprogramming. The request shall include an analysis of its effect on the budget and on the purposes for which the funds were originally appropriated.

(b)(1) Upon receipt of a reprogramming request, the Chairman of the Council shall cause a notice of the request to be published in the District of Columbia Register, together with a statement that the request shall be deemed approved 14 days from the date of its receipt, unless a proposed disapproval resolution is filed prior to that time by a Councilmember, and that if a proposed disapproval resolution is filed, the request shall be deemed approved 30 days from the date of the receipt of the reprogramming request, unless prior to the end of the 30-day review period the Council adopts a resolution of disapproval or approval.

(2) The publication of a notice of a reprogramming request shall satisfy the public notice requirements of this section and the rules of the Council and no further notice shall be necessary for the Council to adopt a resolution affecting the request.

(3) The Council shall consider the request according to its rules. No request may be submitted to the Chairman of the Council under this subsection during such time as the Council is on recess, according to its rules, nor



shall any time period provided in this subsection or in the Council's rules with respect to the requests continue to run during such time as the Council is on recess.

(c)(1) If no proposed disapproval resolution of a reprogramming request is filed with the Secretary to the Council ("Secretary") within 14 days of the receipt of the request from the Mayor, the request shall be deemed approved.

(2) If a proposed disapproval resolution is filed with the Secretary within 14 days of receipt of the request from the Mayor, the Council may approve or disapprove the reprogramming request by resolution within 30 days of the receipt of the request from the Mayor. If the Council neither affirmatively approves or disapproves the request within 30 days of the receipt of the request, the request shall be deemed approved.

(d) At any time prior to final action by the Council on a reprogramming request, or prior to the date the reprogramming request is deemed approved pursuant to subsection (c) of this section, the Mayor may withdraw the reprogramming request.

(e)(1) An operating budget reprogramming request shall include for each budget category from or to which funds are being transferred a list of the funding reductions or additions by:

- (A) Agency;
- (B) Program;
- (C) Activity;
- (D) Object class; and
- (E) Funding sources.

(2) A capital reprogramming request shall include for each project or subproject from or to which funds are being transferred a list of the funding reductions or additions by:

- (A) Agency;
- (B) Project and subproject; and
- (C) Funding sources.

(Sept. 16, 1980, D.C. Law 3-100, § 4, 27 DCR 3617; Apr. 30, 1982, D.C. Law 4-106, § 2, 29 DCR 1407; Apr. 3, 1984, D.C. Law 5-70, § 2(b), 31 DCR 628; Apr. 30, 1988, D.C. Law 7-104, § 34, 35 DCR 147; Apr. 18, 1996, D.C. Law 11-110, § 52, 43 DCR 530; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Aug. 5, 1997, 111 Stat. 754, Pub. L. 105-33, § 11245(b); Apr. 20, 1999, D.C. Law 12-264, § 52(e), 46 DCR 2118; Oct. 1, 2002, D.C. Law 14-190, § 102(b), 49 DCR 6968; Feb. 20, 2003, 117 Stat. 129, Pub. L. 108-7, Div. C, title III, § 136; Nov. 13, 2003, D.C. Law 15-39, § 102, 50 DCR 5668; Mar. 13, 2004, D.C. Law 15-105, § 78, 51 DCR 881; Oct. 20, 2005, D.C. Law 16-33, § 1132, 52 DCR 7503; Mar. 2, 2007, D.C. Law 16-192, § 1002, 53 DCR 6899; Mar. 25, 2009, D.C. Law 17-353, § 209, 56 DCR 1117; Mar. 3, 2010, D.C. Law 18-111, § 1131(c), 57 DCR 181; Apr. 8, 2011, D.C. Law 18-370, § 122(c), 58 DCR 1008.)

**Prior Codifications.** — 1981 Ed., § 47-363.

**Effect of amendments.** — D.C. Law 14-105, in subsec. (a-1)(2), purported to substitute "section, § 47-363.01, and" for "section and" and added a new § 47-363.01.

D.C. Law 14-190 added subsec. (i).

Section 136 of Public Law 108-7, in subsec. (a-1), added par. (3).

D.C. Law 15-39, in subsec. (h), substituted "the thresholds established pursuant to section

109 of the District of Columbia Appropriations Act, 2003, approved February 20, 2003 (Pub. L. 108-7; 117 Stat. 11)" for "\$50,000 at the control center level".

D.C. Law 15-105, in subsec. (i)(1), validated a previously made technical correction.

D.C. Law 16-33, in subsec. (c), substituted, "\$860,000" for "\$25,000".

D.C. Law 16-192, in subsec. (c), substituted "\$1 million" for "\$860,000".

D.C. Law 17-353, in subsec. (e)(1), deleted "and requests pursuant to § 47-364(a)" following "section"; and, in subsec. (h), deleted "and the D.C. General Hospital Commission" preceding "for estimated".

D.C. Law 18-111, in subsec. (a), substituted "any responsibility center, or, in a performance-based agency, of any program or activity of \$500,000 or more" for "any responsibility center of more than \$400,000"; and rewrote subsec. (c), which had read as follows: "(c) The Mayor shall submit to the Council for approval any reprogramming request(s) which individually or considered on a cumulative basis would result in a movement of funds from 1 capital project to another of more than \$1 million in any fiscal year."

D.C. Law 18-370 rewrote the section, which formerly read:

"(a) The Mayor shall submit to the Council for approval any reprogramming request(s) which individually or on a cumulative basis would result in a change to the original appropriated or estimated non-appropriated authority of any responsibility center, or, in a performance-based agency, of any program or activity of \$500,000 or more or 10% (whichever is less) of the original appropriated or estimated non-appropriated authority in any fiscal year; provided, however, that Council approval shall not be required for any reprogramming of up to \$25,000. Council approval is required for any subsequent reprogrammings which individually or considered on a cumulative basis would result in additional changes of more than \$100,000 or 10% (whichever is less) of the original appropriated or estimated non-appropriated authority of any responsibility center.

"(a-1)(1) The Mayor shall also submit reprogramming requests to the District of Columbia Financial Responsibility and Management Assistance Authority as required by § 47-392.03(c)(1).

"(2) The Council may only approve a reprogramming submitted by the Mayor to the Council pursuant to the provisions of this section and § 47-392.03(c)(2).

"(3)(A) After the adoption of the annual budget for a fiscal year that is not a control year, no reprogramming of amounts in the budget may occur unless;

"(i) The Mayor submits a request for such reprogramming to the Council and the Chief Financial Officer of the District of Columbia;

"(ii) The Chief Financial Officer transmits to the Council a statement certifying the availability of funds for the reprogramming and containing an analysis of the effect of the reprogramming on the financial plan and budget for the fiscal year; and

"(iii) The Council approves the request after receiving the statement described in sub-subparagraph (ii) of this paragraph, but only if any additional expenditures provided under the request are offset by reductions in expenditures for another activity.

"(B) If the Chief Financial Officer does not transmit to the Council the statement described in subparagraph (A)(ii) of this paragraph during the 15-day period which begins on the date the Chief Financial Officer receives the request for the reprogramming from the Mayor, the Chief Financial Officer shall be deemed to have transmitted the statement to the Council. Upon written notice to the Mayor and Council, the Chief Financial Officer may extend the time period to transmit the statement and analysis to the Council, not to exceed 10 additional days.

"(C) In this paragraph, the term 'control year' has the meaning given such term in § 47-393(4).

"(b) The Mayor shall submit to the Council for approval any shift(s) in funding among object categories within the same responsibility center which individually exceed \$50,000 in any fiscal year. Council approval is required for any subsequent actions which individually would move funds in excess of \$50,000 among object categories within the same responsibility center in any fiscal year.

"(c) The Mayor shall submit to the Council for approval a reprogramming request when an agency proposes to:

"(1) Transfer funds of \$500,000 or more in any fiscal year from one capital project or sub-project to another capital project or sub-project;

"(2) Transfer funds of \$500,000 or more in any fiscal year from one agency to another agency;

"(3) Establish a new capital project or sub-project; or

"(4) Change the capital project or sub-project description to alter the:

"(A) Scope;

"(B) Purpose; or

"(C) Location.

"(d) Notwithstanding the provisions of subsections (a) through (c) of this section, the Mayor shall submit to the Council for approval any reprogramming request(s) which individually or considered on a cumulative basis would result in change to the original appropriated or estimated non-appropriated authority of any responsibility or control centers within the Department of Human Services, by more than \$50,000 in any fiscal year. Additional Council



approval shall be required for additional reprogrammings which individually or considered on a cumulative basis would result in additional changes of more than \$50,000 to the original appropriated or estimated non-appropriated authority of any responsibility centers within the Department of Human Services.

“(e)(1) The Mayor shall transmit reprogramming requests as provided in subsections (a), (b), (c), and (d) of this section to the Chairman of the Council, who shall immediately circulate the requests to the members of the Council.

“(2) The Council shall consider the request(s) according to its rules. Should no written notice of disapproval of such request(s) be filed with the Secretary to the Council within 14 calendar days of the receipt of a request from the Mayor, or no oral notice of disapproval is given during a meeting of the Council during such 14 calendar day period, the request shall be deemed to be approved. Should notice of disapproval be given during such initial 14-calendar day period, the Council may approve or disapprove the reprogramming request by resolution within 30 calendar days of the initial receipt of the request from the Mayor, or such request shall be deemed to be approved.

“(3) No request may be submitted to the Chairman of the Council under this subsection during such time as the Council is on recess, according to its rules, nor shall any time period provided in this subsection or in the Council’s rules with respect to the requests continue to run during such time as the Council is on recess.

“(4)(A) Upon receipt of a reprogramming request submitted pursuant to this subchapter, the Chairman of the Council shall cause a ‘notice of a reprogramming request’ to be published in the District of Columbia Register, together with a statement that the request will be deemed approved 14 days from the date of its receipt unless a ‘notice of disapproval’ has been filed prior to that time by any member of the Council, and if such ‘notice of disapproval’ has been filed, that the request will be deemed approved 30 days from the date of the receipt of the reprogramming request unless prior to that time the Council has adopted a resolution of disapproval or approval.

“(B) The publication of the ‘notice of a reprogramming request’ pursuant to subparagraph (A) of this paragraph shall satisfy the public notice requirements of this section and the rules of the Council and no further notice shall be necessary for the Council to adopt a resolution affecting the reprogramming request.

“(5) At any time prior to final action by the Council on a reprogramming request submitted pursuant to this subchapter, or prior to a reprogramming becoming effective without Council action as provided in this subchapter, the

Mayor may withdraw the reprogramming request.

“(e-1) Reprogrammings transmitted to the Council pursuant to subsections (a), (b), (c), and (e) of this section shall include a specific listing of responsibility centers and control centers, or both, from which funds are being reduced and a specific listing of responsibility centers and control centers, or both, to which funds are being added. Each separate reprogramming request shall be for the total net sum of zero dollars.

“(f) If the Council disapproves a reprogramming request the Mayor may, on a clear showing of changed circumstances, new information, or additional administrative hardship, ask for a reconsideration of the previous action of the Council. The Council may at its discretion reconsider its previous action.

“(g) All reprogrammings which occur, regardless of amount, shall be reported by the Mayor to the Council on a monthly basis. A monthly reprogramming summary shall set forth clearly and concisely each reprogramming activity by original object category and new object category. It shall specify the amount of funds shifted and other consequences where appropriate (such as personnel shifts, equipment transfers, etc.). The monthly reprogramming summary shall also include a brief explanation of the administrative necessity that was served by the reprogramming activity. The Mayor shall be responsible for assembling and transmitting the monthly reprogramming summary. The Council committee staff responsible for the budget process shall receive and analyze the monthly reprogramming summary.

“(h) The District of Columbia Board of Education, and the Board of Trustees of the University of the District of Columbia shall be excluded for appropriated authority and the District of Columbia Board of Education, the Board of Trustees of the University of the District of Columbia for estimated nonappropriated authority shall be excluded from the provisions of this section; provided, that reprogramming requests in excess of the thresholds established pursuant to section 109 of the District of Columbia Appropriations Act, 2003, approved February 20, 2003 (Pub. L. 108-7; 117 Stat. 122 ), shall be submitted to the Mayor and the Council for review and comment prior to their transmittal to the Congress.

“(i)(1) Notwithstanding any other provision in this section, a reprogramming request made as part of performance-based budgeting shall be approved by the Mayor and Council pursuant to § 47-308.01 and this subsection.

“(2) A reprogramming for performance-based budgeting shall be made at the program level; provided, that the Office of the Chief Financial Officer shall submit to the Council for approval any performance-based budgeting reprogram-



ming request that moves funds between programs in excess of \$840,000 in any fiscal year.”

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2(b) of Chief Financial Officer Establishment Reprogramming During Non-Control Years Technical Temporary Amendment Act of 2001 (D.C. Law 14-67, February 27, 2001, law notification 49 DCR 2277).

**Emergency legislation.** — For purported temporary (90 day) amendment of section, see § 2(b) of Chief Financial Officer Establishment Reprogramming During Non-Control Years Technical Emergency Amendment Act of 2001 (D.C. Act 14-161, November 2, 2001, 48 DCR 10399).

For purported temporary (90 day) amendment of section, see § 2 of Chief Financial Officer Establishment Reprogramming During Non-control Years Technical Congressional Review Emergency Amendment Act of 2002 (D.C. Act 14-243, January 28, 2002, 49 DCR 1032).

For temporary (90 day) amendment of section, see § 102(b) of Fiscal Year 2003 Budget Support Emergency Act of 2002 (D.C. Act 14-453, July 23, 2002, 49 DCR 8026).

For temporary (90 day) amendment of section, see § 102 of Fiscal Year 2004 Budget Support Emergency Act of 2003 (D.C. Act 15-105, June 20, 2003, 50 DCR 5613).

For temporary (90 day) amendment of section, see § 102 of Fiscal Year 2004 Budget Support Congressional Review Emergency Act of 2003 (D.C. Act 15-149, September 22, 2003, 50 DCR 8360).

For temporary (90 day) amendment of section, see § 3 of Council Review Extension Emergency Amendment Act of 2004 (D.C. Act 15-514, August 2, 2004, 51 DCR 8981).

For temporary (90 day) amendment of section, see § 1132 of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

For temporary (90 day) amendment of section, see § 1002 of Fiscal Year 2007 Budget Support Emergency Act of 2006 (D.C. Act 16-477, August 8, 2006, 53 DCR 7068).

For temporary (90 day) amendment of section, see § 1002 of Fiscal Year 2007 Budget Support Congressional Review Emergency Act of 2006 (D.C. Act 16-499, October 23, 2006, 53 DCR 8845).

For temporary (90 day) amendment of section, see § 1002 of Fiscal Year 2007 Budget Support Congressional Review Emergency Act of 2007 (D.C. Act 17-1, January 16, 2007, 54 DCR 1165).

For temporary (90 day) amendment of section, see § 1002(c) of Fiscal Year 2010 Budget Support Emergency Act of 2009 (D.C. Act 18-187, August 26, 2009, 56 DCR 7374).

For temporary (90 day) amendment of section, see § 1131(c) of Fiscal Year 2010 Budget

Support Second Emergency Act of 2009 (D.C. Act 18-207, October 15, 2009, 56 DCR 8234).

For temporary (90 day) amendment of section, see § 1131(c) of Fiscal Year Budget Support Congressional Review Emergency Amendment Act of 2009 (D.C. Act 18-260, January 4, 2010, 57 DCR 345).

For temporary (90 day) amendment of section, see § 122(c) of Fiscal Year 2011 Supplemental Budget Support Emergency Act of 2010 (D.C. Act 18-694, January 19, 2011, 58 DCR 662).

**Legislative history of Law 3-100.** — For legislative history of D.C. Law 3-100, see Historical and Statutory Notes following § 47-361.

**Legislative history of Law 4-106.** — Law 4-106, the “Reprogramming Policy Act of 1980 Amendments Act of 1982,” was introduced in Council and assigned Bill No. 4-343, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on February 9, 1982, and February 23, 1982, respectively. Signed by the Mayor on March 10, 1982, it was assigned Act No. 4-167 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 5-70.** — For legislative history of D.C. Law 5-70, see Historical and Statutory Notes following § 47-361.

**Legislative history of Law 7-104.** — Law 7-104, the “Technical Amendments Act of 1987,” was introduced in Council and assigned Bill No. 7-346, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 24, 1987, and December 8, 1987, respectively. Signed by the Mayor on December 22, 1987, it was assigned Act No. 7-124 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 11-110.** — Law 11-110, the “Technical Amendments Act of 1996,” was introduced in Council and assigned Bill No. 11-485, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on December 5, 1995, and January 4, 1996, respectively. Signed by the Mayor on January 26, 1996, it was assigned Act No. 11-199 and transmitted to both Houses of Congress for its review. D.C. Law 11-110 became effective on April 18, 1996.

**Legislative history of Law 12-264.** — For legislative history of D.C. Law 12-264, see Historical and Statutory Notes following § 47-351.01.

**Legislative history of Law 14-190.** — For Law 14-190, see notes following § 47-308.01.

**Legislative history of Law 15-105.** — For Law 15-105, see notes following § 47-340.22.

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Legislative history of Law 16-192.** — For Law 16-192, see notes following § 47-340.23.

**Legislative history of Law 17-353.** — For Law 17-353, see notes following § 47-308.

**Legislative history of Law 18-111.** — For Law 18-111, see notes following § 47-305.02.

**Legislative history of Law 18-370.** — For history of Law 18-370, see notes under § 47-143.

**Short title.** — Short title of title I of Law 15-39: Section 101 of D.C. Law 15-39 provided that title I of the act may be cited as the Reprogramming Policy Amendment Act of 2003.

Short title of subtitle R of title I of Law 16-33: Section 1131 of D.C. Law 16-33 provided that subtitle R of title I of the act may be cited as the Reprogramming Act of 2005.

Short title: Section 1001 of D.C. Law 16-192 provided that subtitle A of title I of the act may be cited as the Reprogramming Policy Act of 2006.

**Effective date.** — D.C. Law 14-105 amended D.C. Act 14-89, section 17 of which states the following:

“Sec. 17. Effective date. This act shall take effect on the later of:

“(1) completion of a 30-day period of Congressional review, as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), approval by the Financial Responsibility and Management Assistance Authority as provided in section 203(a) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995 (109 Stat. 116; D.C. Official Code § 47-392.03(a)), and publication in the District of Columbia Register; or

“(2) enactment by Congress of a repeal of section 424 of the District of Columbia Home Rule Act and a repeal of the provisions in sections 448 and 449 of the District of Columbia

Home Rule Act which conflict with section 6 of the Independence of the Chief Financial Officer Establishment Act of 2001, passed on 2nd reading on July 10, 2001 (Enrolled version of Bill 14-354).”

As of the printing of this supplement, Act 14-89 has not become law. Therefore, the amendments made to Act 14-89 by Law 14-105 have not been given effect.

**References in text.** — Section 47-364(a), which is referred to in (e)(1), was repealed by 109 Stat. 142, Pub. L. 104-8, § 301(b)(2), approved April 17,

**Resolutions.** — Resolution 14-99, the “Reprogramming of \$1,259,000 from the Taxicab Commission and the Department of Motor Vehicles to the Department of Public Works Disapproval Resolution of 2001”, was approved effective May 1, 2001.

**Editor’s notes.** — Allocation of Funds from the Rainy Day Fund to the Washington Convention Center Fund and the Starplex Fund Conditional Approval Resolution of 1994: Pursuant to Resolution 10-453, effective November 1, 1994, the Council conditionally approved the transfer of funds from the Rainy Day Fund to the Washington Convention Center Fund and the Starplex Fund.

Approval of Reprogramming from Governmental Direction and Support Agencies to the Department of Administrative Services Emergency Resolution of 1995: Pursuant to Resolution 11-82, effective June 6, 1995, the Council approved, on an emergency basis, the reprogramming, within the Congressionally-approved Fiscal Year 1995 appropriation for Governmental Direction and Support, of \$2.9 million from the Offices of the City Administrator, Secretary, Communications, Intergovernmental Relations, Deputy Mayor for Finance and Budget, the Department of Finance and Revenue, within the Department of Administrative Services, and the Board of Elections and Ethics, to the Department of Administrative Services.

## CASE NOTES

### Due process.

Even if District of Columbia (DC) employees had a protected property interest in their employment, there was no procedural due process violation in the termination of their positions in connection with an elimination of daycare programs, despite claimed noncompliance with outsourcing provisions of a collective bargaining agreement (CBA) and provisions of D.C. law; employees failed to fully take advantage of

the process afforded to them by the CBA’s grievance procedures, and any violation of privatization or reprogramming statutes did not amount to a constitutional violation. *American Federation of Government Employees AFGE, Local 2741 v. District of Columbia*, 689 F.Supp.2d 30., 2009 U.S. Dist. LEXIS 99669 (2009), dismissed by 2011 D.C. Super. LEXIS 16 (2011), dismissed by 2013 U.S. Dist. LEXIS 25044 (D.D.C. Feb. 25, 2013).



## § 47-364. Council approval of non-offsetting budget modifications; exclusions.

Repealed.

(Apr. 17, 1995, 109 Stat. 142, Pub. L. 104-8, § 301(b)(2).)

**Section references.** — This section is referred to in § 47-363.

**Prior Codifications.** — 1981 Ed., § 47-364.

## § 47-365. Reprogrammings of appropriated funds.

(a) Funds appropriated pursuant to an appropriations act that remain available for obligation or expenditure, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded in an appropriations act, shall be available for obligation or expenditure for an agency through a reprogramming of funds which:

- (1) Creates new programs;
- (2) Eliminates a program, project, or responsibility center;
- (3) Establishes or changes allocations specifically denied, limited, or increased by Congress;
- (4) Increases funds or personnel by any means for any program, project, or responsibility center for which funds have been denied or restricted;
- (5) Reestablishes through reprogramming any program or project previously deferred through reprogramming;
- (6) Augments existing programs, projects, or responsibility centers through a reprogramming of funds in excess of \$3 million or 10%, whichever is less; or
- (7) Increases by 20% or more personnel assigned to a specific program, project or responsibility center.

(b) Such funds shall be available for obligation or expenditure for an agency through a reprogramming of funds as described in subsection (a) of this section; provided, that the appropriations committees of both the Senate and House of Representatives are notified in writing 30 days in advance of any reprogramming as set forth in this section.

(Oct. 19, 2000, D.C. Law 13-172, § 4502, 47 DCR 6308; June 12, 2003, D.C. Law 14-310, § 11(a), 50 DCR 1092; Apr. 8, 2011, D.C. Law 18-370, § 122(d), 58 DCR 1008.)

**Effect of amendments.** — D.C. Law 14-310, in the section name line, deleted “Fiscal Year 2001 and beyond” following “funds”; redesignated the existing text as subsection (a); in the newly designated subsec. (a), deleted “in fiscal year 2001, or any subsequent fiscal year” following “expenditure”; made a nonsubstantive change, and deleted “provided that the appropriations committees of both the Senate and House of Representatives are notified in writing 30 days in advance of any reprogramming as set forth in this section” from the end of par. (7); and added subsec. (b).

D.C. Law 18-370, in par. (6), substituted “\$3 million” for “\$1,000,000”.

**Emergency legislation.** — For temporary (90-day) addition of section, see § 4502 of the Fiscal Year 2001 Budget Support Emergency Act of 2000 (D.C. Act 13-376, July 24, 2000, 47 DCR 6574).

For temporary (90 day) addition of section, see § 4502 of the Fiscal Year 2001 Budget Support Congressional Review Emergency Act of 2000 (D.C. Act 13-438, October 20, 2000, 47 DCR 8740).

For temporary (90 day) amendment of sec-

tion, see § 122(d) of Fiscal Year 2011 Supplemental Budget Support Emergency Act of 2010 (D.C. Act 18-694, January 19, 2011, 58 DCR 662).

**Legislative history of Law 13-172.** — Law 13-172, the “Fiscal Year 2001 Budget Support Act of 2000,” was introduced in Council and assigned Bill No. 13-679, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on May 15, 2000, and June 6, 2000, respectively. Signed by the Mayor on June 26, 2000, it was assigned Act No. 13-175 and transmitted to both Houses of Congress for its review. D.C. Law 13-172 became effective on October 19, 2000.

**Legislative history of Law 14-310.** — Law 14-310, the “Criminal Code and Miscellaneous Technical Amendments Act of 2002,” was introduced in Council and assigned Bill No. 14-954, which was referred to the Committee on Whole. The Bill was adopted on first and second readings on December 3, 2002, and December 17, 2002, respectively. Signed by the Mayor on January 22, 2003, it was assigned Act No. 14-622 and transmitted to both Houses of Congress for its review. D.C. Law 14-310 became effective on June 12, 2003.

**Legislative history of Law 18-370.** — For history of Law 18-370, see notes under § 47-143.

## CASE NOTES

### Due process.

Even if District of Columbia (DC) employees had a protected property interest in their employment, there was no procedural due process violation in the termination of their positions in connection with an elimination of daycare programs, despite claimed noncompliance with outsourcing provisions of a collective bargaining agreement (CBA) and provisions of D.C. law; employees failed to fully take advantage of

the process afforded to them by the CBA’s grievance procedures, and any violation of privatization or reprogramming statutes did not amount to a constitutional violation. *AFGE, Local 2741 v. District of Columbia*, 689 F.Supp.2d 30., 2009 U.S. Dist. LEXIS 99669 (2009), dismissed by 2011 D.C. Super. LEXIS 16 (2011), dismissed by 2013 U.S. Dist. LEXIS 25044 (D.D.C. Feb. 25, 2013).

## § 47-366. Non-Departmental Fund Transfer Notification.

The Chief Financial Officer shall notify the Budget Director of the Council of the District of Columbia in writing whenever a reprogramming, transfer, or budget modification of any amount is made involving the Non-Departmental account. The notice shall set forth the amount and purpose of the reprogramming, transfer, or budget modification.

(Sept. 14, 2011, D.C. Law 19-21, § 7022(b), 58 DCR 6226.)

**Legislative history of Law 19-21.** — For history of Law 19-21, see notes under § 47-305.02.

D.C. Law 19-21 provided that subtitle C of title VII of the act may be cited as “Non-Departmental Fund Transfer Notification Act of 2011”.

**Short title.** — Short title: Section 7021 of

### *Subchapter IV-A. Special Budget Provisions.*

## § 47-368.01. Transfer of dedicated funds to the General Fund.

(a) For the purposes of this section, the term “Other-Type Funds” means District revenues, as defined in § 1-201.03(10), generated from fees, fines, assessments, or reimbursements by District of Columbia or its agencies or instrumentalities (including independent agencies or instrumentalities), earmarked for special purposes and accounted for or placed in a fund for such purposes; provided, that the term “Other-Type Funds” shall not include funds of the Housing Finance Agency; National Capital Revitalization Corporation;



Washington Convention and Sports Authority; Public Service Commission; Office of People's Counsel; Department of Insurance and Securities Regulation; Department of Banking and Financial Institutions; District of Columbia Water and Sewer Authority; and Alcoholic Beverage Regulation Administration; and Compliance and Real Property Tax Administration Fund, except to the extent that there are not sufficient Other-Type Funds available in other agencies from which the transfer of funds requested under subsection (c) of this section may be obtained.

(b) Notwithstanding any other provision of law, including the dedication of funds to a particular use, all or part of the balance in an Other-Type Fund may be transferred to the General Fund of the District of Columbia in accordance with the procedure set forth in subsections (c) and (d) of this section.

(c)(1) The Mayor, in consultation with the Chief Financial Officer of the District of Columbia, shall submit to the Council for approval a proposed resolution requesting the transfer of all or part of the balance in an Other-Type Fund to the General Fund of the District of Columbia. The proposed resolution shall include, for each agency affected:

(A) The Chief Financial Officer's certification that the proposed transfer of funds:

(i) Is needed for the purpose for which the transferred funds are to be used;

(ii) Is not prohibited by federal law, court order, or settlement;

(iii) Does not involve funds that have been properly identified as deferred revenue or restricted fund balance;

(iv) Will not prevent an agency or a program from meeting maintenance of effort or matching fund requirements; and

(v) Will not result in a federal grant or other source of funding being decreased or eliminated;

(B) The legislative or regulatory authority for the establishment of the Other-Type Fund;

(C) The purpose of the Other-Type Fund;

(C-i) The amount and source of the funds to be transferred from the designated Other-Type Fund, and the purpose for which the funds will be used;

(D) The original fiscal year budget and year-to-date expenditures for the Other-Type Fund for the fiscal year in which the request is made;

(E) The accumulated balance of the Other-Type fund;

(F) The previous 2 fiscal years' budgets and spending patterns for the Other-Type fund (3 years if there has been a transfer of all or part of the fund balance to the General Fund of the District of Columbia);

(G) The collection in the Other-Type Fund for the previous 2 fiscal years (3 years if there has been a transfer of all or part of the fund balance to the General Fund of the District of Columbia); and

(H) The effect that the approval of the transfer of the Other-Type Funds to the General Fund of the District of Columbia will have on service delivery.

(2) The proposed resolution shall be submitted to the Council for a 60-day period of review, excluding Saturdays, Sundays, legal holidays, and days of Council recess. If the Council does not approve or disapprove the proposed

resolution, in whole or in part, within the 60-day period, the proposed resolution shall be deemed disapproved.

(d) Beginning in fiscal year 2005, the Chief Financial Officer shall submit to the Council a quarterly audit and accounting of the spending, revenue generation, and balances for all Other-Type Fund dedicated for use by the Department of Health. If the information for such an Other-Type Fund is not submitted to the Council within one month after the end of a fiscal quarter, revenue that accumulated in the Other-Type Fund during the fiscal quarter may not be transferred to the General Fund of the District of Columbia.

(June 5, 2003, D.C. Law 14-307, § 1202, 49 DCR 11664; Nov. 13, 2003, D.C. Law 15-39, § 1902, 50 DCR 5668; Mar. 13, 2004, D.C. Law 15-105, § 12(d), 51 DCR 881; Dec. 7, 2004, D.C. Law 15-205, § 5402, 51 DCR 8441; Apr. 13, 2005, D.C. Law 15-354, § 73(a)(2), 52 DCR 2638; Oct. 20, 2005, D.C. Law 16-33, § 1072(c), 52 DCR 7503; Mar. 3, 2010, D.C. Law 18-111, § 2082(o)(1), 57 DCR 181.)

**Effect of amendments.** — D.C. Law 15-39, in subsec. (a), substituted “from which the transfer of funds requested under subsection (c) of this section may be obtained” for “from which a total of \$9.5 million may be obtained”; rewrote subsec. (b); and in subsec. (c), par. (1), substituted “shall submit” for “may submit” in the introductory language, rewrote subpar. (A), and added subpar. (C-i). Prior to amendment, subsec. (b) and subpar. (A) of par. (1) of subsec. (c) had read as follows:

D.C. Law 15-105, in subsec. (a), substituted “Other-Type” for “Other-Type O-type”, and validated previously made technical corrections.

“(b) Notwithstanding any other provision of law, including the dedication of funds to a particular use, all or part of the balance in an Other-Type Fund up to the total amount of \$9.5 million in fiscal year 2003 of Other-Type Funds in fiscal year 2003 may be transferred to the General Fund of the District of Columbia in accordance with the procedure set forth in subsection (c) of this section. To the extent that these funds are needed, and it has been certified by the Chief Financial Officer that they are needed, in fiscal years subsequent to fiscal year 2003, the Mayor shall submit an approval resolution to the Council.”

“(A) The Chief Financial Officer’s certification that the proposed transfer of funds is not prohibited by federal action, court order, or settlement and that funds have not been properly identified as deferred revenue or restricted fund balance;”

D.C. Law 15-205, in subsec. (b), substituted “subsections (c) and (d)” for “subsection (c)”; and added subsec. (d).

D.C. Law 15-354, in subsec. (a), validated previously made technical changes.

D.C. Law 16-33, in subsec. (a), substituted “Alcoholic Beverage Regulation Administra-

tion; and Compliance and Real Property Tax Administration Fund” for “and Alcoholic Beverage Regulation Administration”.

D.C. Law 18-111, in subsec. (a), substituted “Washington Convention and Sports Authority” for “Sports and Entertainment Commission; Washington Convention Center Authority”.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 202 of Fiscal Year 2003 Budget Support Temporary Act of 2003 (D.C. Law 15-25, July 22, 2003, law notification 50 DCR 6095).

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 2(b) of Other-Type Funds Temporary Act of 2002 (D.C. Law 14-219, March 25, 2003, law notification 50 DCR 2732).

**Emergency legislation.** — For temporary (90 day) addition of section, see § 2(b) of Other-Type Funds Emergency Act of 2002 (D.C. Act 14-449, July 23, 2002, 49 DCR 7868).

For temporary addition of section, see § 2(b) of Other-Type Funds Congressional Review Emergency Act of 2002 (D.C. Act 14-501, October 23, 2002, 49 DCR 10030).

For temporary (90 day) addition of section, see §§ 1202(b) of Fiscal Year 2003 Budget Support Amendment Emergency Act of 2002 (D.C. Act 14-544, December 4, 2002, 49 DCR 11700).

For temporary (90 day) addition of section, see § 1202(b) of the Fiscal Year 2003 Budget Support Amendment Congressional Review Emergency Act of 2003 (D.C. Act 15-27, February 24, 2003, 50 DCR 2151).

For temporary (90 day) amendment of section, see § 202 of Fiscal Year 2003 Budget Support Emergency Act of 2003 (D.C. Act 15-51, March 31, 2003, 50 DCR 2954).

For temporary (90 day) amendment of section, see § 202 of Fiscal Year 2003 Budget Support Congressional Review Emergency Act



of 2003 (D.C. Act 15-97, June 20, 2003, 50 DCR 5472).

For temporary (90 day) amendment of section, see § 1202(b) of Fiscal Year 2003 Budget Support Amendment Second Congressional Review Emergency Act of 2003 (D.C. Act 15-103, June 20, 2003, 50 DCR 5499).

For temporary (90 day) amendment of section, see § 1902 of Fiscal Year 2004 Budget Support Emergency Act of 2003 (D.C. Act 15-105, June 20, 2003, 50 DCR 5613).

For temporary (90 day) amendment of section, see § 1902 of Fiscal Year 2004 Budget Support Congressional Review Emergency Act of 2003 (D.C. Act 15-149, September 22, 2003, 50 DCR 8360).

For temporary (90 day) amendment of section, see § 5402 of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) amendment of section, see § 5402 of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

For temporary (90 day) amendment of section, see § 1072(c) of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

For temporary (90 day) amendment of section, see § 2082(o)(1) of Fiscal Year 2010 Budget Support Second Emergency Act of 2009 (D.C. Act 18-207, October 15, 2009, 56 DCR 8234).

For temporary (90 day) amendment of section, see § 2082(o)(1) of Fiscal Year Budget

Support Congressional Review Emergency Amendment Act of 2009 (D.C. Act 18-260, January 4, 2010, 57 DCR 345).

**Legislative history of Law 14-307.** — Law 14-307, the “Fiscal Year 2003 Budget Support Amendment Act of 2002”, was introduced in Council and assigned Bill No. 14-892, which was referred to the Committee on the Whole. The Bill was adopted on first and second readings on October 1, 2002, and November 7, 2002, respectively. Signed by the Mayor on December 4, 2002, it was assigned Act No. 14-543 and transmitted to both Houses of Congress for its review. D.C. Law 14-307 became effective on June 5, 2003.

**Legislative history of Law 15-39.** — For Law 15-39, see notes following § 47-308.01.

**Legislative history of Law 15-105.** — For Law 15-105, see notes following § 47-340.22.

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-308.01.

**Legislative history of Law 15-354.** — For Law 15-354, see notes following § 47-340.03.

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Legislative history of Law 18-111.** — For Law 18-111, see notes following § 47-305.02.

**Short title.** — Short title of title XIX of Law 15-39: Section 1901 of D.C. Law 15-39 provided that title XIX of the act may be cited as the Transfer of Other-Type Funds Act of 2003.

Short title of subtitle D of title V of Law 15-205: Section 5401 of D.C. Law 15-205 provided that subtitle D of title V of the act may be cited as the Special Purpose Revenue Funds CFO Certification Act of 2004.

## § 47-368.02. Increase in funds and fees and charges.

(a) For the purposes of this section, the term:

(1) “Fees and Charges” means District revenues, as defined in § 1-201.03(10), generated from the collection of user fees and charges, licensing fees, and permit fees.

(2) “Other-Type Funds” shall have the same meaning as in § 47-368.01(a), except that the term shall not include reimbursements.

(b) Notwithstanding any other provision of law, including any laws prescribing requirements for a resolution, rulemaking, or publication, Other-Type Funds, and Fees and Charges not otherwise adjusted by any title in the Fiscal Year 2003 Budget Support Amendment Act of 2002, passed on 2nd reading on November 7, 2002 (Enrolled version of Bill 14-892) [D.C. Law 14-307], shall be increased by an average of up to 30% as determined by the Mayor for fiscal year 2003. The increases shall be effective on or before January 1, 2003.

(c) The Mayor may take any additional action as may be necessary to ensure that all adjustments to Other-Type Funds and to Fees and Charges are effective January 1, 2003.

(d) A report of the Mayor’s actions shall be delivered to the Council on or

before November 22, 2002 and shall at the same time be transmitted for publication in the District of Columbia Register.

(e) On or before November 22, 2002, the Chief Financial Officer of the District of Columbia shall transmit to the Council a report containing the following information:

(1) A list of each fee, fine, and charge, including permit and license fees, imposed by the District of Columbia:

(2) The legislative or regulatory authority for the imposition of each fee, fine, or charge;

(3) The amount levied by the District of Columbia for each individual instance of the fee, fine, or charge;

(4) The cumulative amount collected annually by the District of Columbia for each fee, fine, or charge;

(5) The level to which each fee, fine, or charge would be adjusted to account for inflation; and

(6) The additional amount the District of Columbia would collect each year for each individual fee, fine, or charge, if the fee, fine, or charge were adjusted for inflation.

(June 5, 2003, D.C. Law 14-307, § 1202, 49 DCR 11664.)

**Emergency legislation.** — For temporary (90 day) addition of section, see §§ 1202(b) of Fiscal Year 2003 Budget Support Amendment Emergency Act of 2002 (D.C. Act 14-544, December 4, 2002, 49 DCR 11700).

For temporary (90 day) addition of section, see § 1202(b) of the Fiscal Year 2003 Budget Support Amendment Congressional Review Emergency Act of 2003 (D.C. Act 15-27, February 24, 2003, 50 DCR 2151).

For temporary (90 day) amendment of section, see § 1202(b) of Fiscal Year 2003 Budget Support Amendment Second Congressional Review Emergency Act of 2003 (D.C. Act 15-103, June 20, 2003, 50 DCR 5499).

**Legislative history of Law 14-307.** — For Law 14-307, see notes following § 47-368.01.

**References in text.** — Fiscal Year 2003 Budget Support Amendment Act of 2002, referred to in subsec. (b), is D.C. Law 14-307.

### § 47-368.03. Reduction in rates for certain excise taxes.

(a) For the purposes of this section, the amount identified in a revenue estimate shall exclude one-time revenue as certified by the Chief Financial Officer of the District of Columbia (“CFO”).

(b) Repealed.

(c) Repealed.

(d)(1) Repealed.

(2) Repealed.

(e)(1) The CFO shall, within 30 days of determination of the annual revenue estimate made in the 4th quarter of a fiscal year, certify the variance from the annual revenue estimate in the approved financial plan and budget for that fiscal year and submit the certification to the Council and the Mayor.

(2) If the variance results in a rate reduction in accordance with subsections (b), (c), or (d) of this section, the Mayor shall publish in the District of Columbia Register the new rate that shall apply.

(f) A rate reduction in accordance with subsections (b), (c), or (d) of this section shall apply as of January 1 of the next fiscal year.



(June 5, 2003, D.C. Law 14-307, § 1802(b), 49 DCR 11664; Dec. 7, 2004, D.C. Law 15-205, § 1233(a)(1), 51 DCR 8441; Apr. 8, 2005, D.C. Law 15-320, § 110(b), 52 DCR 1757; Apr. 13, 2005, D.C. Law 15-354, § 100, 52 DCR 2638; Sept. 19, 2006, D.C. Law 16-161, § 201(a), 53 DCR 5392.)

**Effect of amendments.** — D.C. Law 15-205 purported to repeal this section.

D.C. Law 15-320 repealed subsec. (d)(1) which had read as follows: “(d)(1) The rate of tax imposed under §§ 47-2501 and 47-3902 shall be reduced from 11% to 10%, if the annual revenue estimate made in the 4th quarter of a fiscal year exceeds the annual revenue estimate incorporated in the approved financial and budget plan for that fiscal year by at least \$105 million.”

D.C. Law 15-354 corrected D.C. Law 15-205 to repeal subsecs. (b) and (c).

D.C. Law 16-161 repealed subsec. (d)(2) which had read as follows: “(2) The rate of tax imposed under § 47-2501(d-1) shall be reduced from \$0.0077 to \$0.007, if the annual revenue estimate made in the 4th quarter of a fiscal year exceeds the annual revenue estimate incorporated in the approved financial plan and budget for that fiscal year by at least \$105 million.”

**Temporary Amendment of Section.** — Section 2(a) of D.C. Law 16-29, in subsec. (d), rewrote par. (1) and added a sentence to par. (2). Par. (1) reads as follows:

“(1) The rate of tax imposed under § 47-3902 shall be reduced from 11% to 10%, if the annual revenue estimate made in the 4th quarter of a fiscal year exceeds the annual revenue estimate incorporated in the approved financial plan and budget for that fiscal year by at least \$ 105 million. This paragraph shall apply as of January 1, 2005 and shall expire on April 8, 2005.”

The new sentence in par. (2) reads as follows: “This paragraph shall expire on January 1, 2005.”

Section 4(b) of D.C. Law 16-29 provided that the act shall expire after 225 days of its having taken effect.

Section 2(a) of D.C. Law 16-102 repealed par. (d)(2).

Section 11(b) of D.C. Law 16-102 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) addition of section, see § 1802(b) of Fiscal Year 2003 Budget Support Amendment Emergency Act of 2002 (D.C. Act 14-544, December 4, 2002, 49 DCR 11700).

For temporary (90 day) addition of section, see § 1802(b) of the Fiscal Year 2003 Budget Support Amendment Congressional Review Emergency Act of 2003 (D.C. Act 15-27, February 24, 2003, 50 DCR 2151).

For temporary (90 day) amendment of section, see § 1802 of Fiscal Year 2003 Budget

Support Amendment Second Congressional Review Emergency Act of 2003 (D.C. Act 15-103, June 20, 2003, 50 DCR 5499).

For temporary (90 day) repeal of section, see § 1233(a)(2) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) allocation of additional revenue in fiscal year 2005, see § 1234 of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) repeal of section, see § 1233(a)(2) of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

For temporary (90 day) allocation of additional revenue in fiscal year 2005, see § 1234 of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

For temporary (90 day) amendment of section, see § 2 of Telecommunications Taxes Reduction Emergency Act of 2004 (D.C. Act 15-729, January 19, 2005, 52 DCR 1956).

For temporary (90 day) amendment of section, see § 2(a) of Utility Taxes Technical Corrections Emergency Act of 2005 (D.C. Act 16-86, May 18, 2005, 52 DCR 5265).

For temporary (90 day) amendment of section, see § 2(a) of Utility Technical Corrections Congressional Review Emergency Act of 2005 (D.C. Act 16-177, October 4, 2005, 52 DCR 9074).

For temporary (90 day) amendment of section, see § 2(a) of Finance and Revenue Technical Amendments Emergency Amendment Act of 2006 (D.C. Act 16-260, January 26, 2006, 53 DCR 780).

For temporary (90 day) amendment of section, see § 2(a) of Finance and Revenue Technical Amendments Congressional Review Emergency Amendment Act of 2006 (D.C. Act 16-361, April 27, 2006, 53 DCR 3619).

For temporary (90 day) amendment of section, see §§ 201(a), 202 of Natural Gas and Home Heating Oil Taxation Relief and Ratepayer Clarification Emergency Act of 2006 (D.C. Act 16-376, May 19, 2006, 53 DCR 4392).

For temporary (90 day) amendment of section, see §§ 201(a) and 202(a) of Natural Gas and Home Heating Oil Taxation Relief and Ratepayer Clarification Congressional Review Emergency Amendment Act of 2006 (D.C. Act 16-443, July 21, 2006, 53 DCR 6436).

**Legislative history of Law 14-307.** — For Law 14-307, see notes following § 47-368.01.

**Legislative history of Law 15-320.** — Law 15-320, the “Ballpark Omnibus Financing and Revenue”, was introduced in Council and assigned Bill No. 15-1028, which was referred to the Committee of Finance and Revenue. The Bill was adopted on first and second readings on November 30, 2004, and December 21, 2004, respectively. Signed by the Mayor on December 29, 2004, it was assigned Act No. 15-717 and transmitted to both Houses of Congress for its review. D.C. Law 15-320 became effective on April 8, 2005.

**Legislative history of Law 15-354.** — For Law 15-354, see notes following § 47-340.03.

**Legislative history of Law 16-29.** — Law 16-29, the “Utility Taxes Technical Corrections Temporary Act of 2005”, was introduced in Council and assigned Bill No. 16-266 and was retained by Council. The Bill was adopted on first and second readings on May 3, 2005, and June 7, 2005, respectively. Signed by the Mayor on July 14, 2005, it was assigned Act No. 16-138 and transmitted to both Houses of Congress for its review. D.C. Law 16-29 became effective on October 18, 2005.

**Legislative history of Law 16-161.** — Law 16-161, the “Natural Gas and Home Heating Oil Taxation Relief and Ratepayer Clarification Act of 2006”, was introduced in Council and assigned Bill No. 16-462 which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on May 2, 2006, and June 6, 2006, respectively.

Signed by the Mayor on June 26, 2006, it was assigned Act No. 16-402 and transmitted to both Houses of Congress for its review. D.C. Law 16-161 became effective on September 19, 2006.

**Effective date.** — Section 1233(a)(2) of D.C. Law 15-205, as amended by D.C. Law 15-354, § 100(b), provided: “This subsection shall apply as of August 2, 2004.”

**Editor’s notes.** — Section 1234 of D.C. Law 15-205 provided: “The additional annual revenue certified by the Chief Financial Officer of the District of Columbia which exceeds the annual revenue estimate incorporated in the approved financial plan and budget as of May 14, 2004 shall be allocated and expended in fiscal year 2005 in the following order of priority:

“(1) An amount not to exceed \$2 million to the Office of Property Management for the costs of transitional office space;

“(2) An amount not to exceed \$1,200,000 to the District of Columbia Public Library for general operations;

“(3) An amount not to exceed \$256,000 to the DC Police and Firefighters Retirement & Relief Board for the increased cost of processing retirement hearings and rulings; and

“(4) An amount not to exceed \$132,600 for the Police and Fire Clinic for costs associated with processing disability retirement cases.”

Applicability: Section 202(a) of D.C. Law 16-161 provided that section 201(a) and (b)(1) through (3) of the act shall apply as of January 1, 2005.

## § 47-368.04. Commodities Cost Reserve Fund.

(a) There is established a fund designated as the Commodities Cost Reserve Fund, which shall be a segregated account within the General Fund of the District of Columbia. All funds shall be deposited into the Fund without regard to fiscal year limitation pursuant to an act and shall not revert to the fund balance of the General Fund of the District of Columbia at the end of any fiscal year or at any other time, but shall be continually available for the uses and purposes set forth in subsection (b) of this section, subject to authorization by Congress in an appropriations act. The Fund shall be administered by the Mayor.

(b) At the end of each fiscal year, the Chief Financial Officer shall transfer into the Fund from the General Fund of the District of Columbia the unobligated and unexpended annual appropriation, identified after the end of the fiscal year, for the District of Columbia’s costs for all consumption-driven commodities including electricity, fuel, water, steam, natural gas, postage, telephone, custodial, security, occupancy, and rent. The funds deposited in the Fund shall be used for the unbudgeted expenses caused by unanticipated increases in consumption-driven commodity costs.

(Oct, 20, 2005, D.C. Law 16-33, § 1092(b), 52 DCR 7503.)



**Emergency legislation.** — For temporary (90 day) addition of section, see § 1092(b) of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Short title.** — Short title of subtitle P of title I of Law 16-33: Section 1091 of D.C. Law 16-33 provided that subtitle P of title I of the act may be cited as the Establishment of the Commodities Cost Reserve Fund Act of 2005.

## § 47-368.05. Deposit of revenues dedicated to debt service.

Notwithstanding any other law, excluding funds expressly exempted by the Chief Financial Officer, revenues dedicated by law to specific funds, shall, whenever a portion of those funds is budgeted to pay debt service, first be deposited into the General Fund of the District of Columbia to pay such debt service. After sufficient revenues have been deposited for debt service, any additional revenues shall then be deposited into the specific funds. Any revenues deposited, but unexpended for debt service shall be deposited in the specific funds at the end of the fiscal year.

(Aug. 16, 2008, D.C. Law 17-219, § 7004(b), 55 DCR 7598.)

**Legislative history of Law 17-219.** — For Law 17-219, see notes following § 47-318.05a.

**Short title.** — Short title: Section 7003 of D.C. Law 17-219 provided that subtitle B of

title VII of the act may be cited as the “Dedicated Tax and Other Type Revenue Debt Service Support Act of 2008”.

## § 47-368.06. Limitation on grant-making authority.

(a) An agency with grant-making authority shall not issue grants using any funds it receives through an intra-District transfer, a memorandum of understanding, or a reprogramming from any agency that does not have grant-making authority.

(b) Notwithstanding subsection (a) of this section, an agency with grant-making authority may issue grants using any funds it receives through an intra-District transfer, a memorandum of understanding, or a reprogramming from an agency that does not have grant-making authority for purposes of the following:

(1) Effectuating the Hospital and Medical Services Corporation Regulatory Amendment Act of 2009, passed on 4th reading on September 22, 2009 (Enrolled version of Bill 18-203) [Subtitle N of D.C. Law 18-111, which added § 31-3514.02(d)]; and

(2) Implementing projects and programs funded by the Nursing Facility Quality of Care Fund, established by § 47-1262.

(Mar. 3, 2010, D.C. Law 18-111, § 1121(b), 57 DCR 181.)

**Temporary Addition of Section.** — Section 2 of D.C. Law 18-120 provided clarification of the fiscal year 2010 limited grant-making authority.

Sections 2 through 4 of D.C. Law 18-138 added provisions pro

“Sec. 2. Notwithstanding any other provision of law, all Exe

“Sec. 3. Notwithstanding any other provision of law, all ind

“Sec. 4. Nothing in this act shall be construed to prohibit

Section 6(b) of D.C. Law 18-138 provided that the act shall

**Emergency legislation.** — For temporary (90 day) addition, see § 1121(b) of Fiscal Year

2010 Budget Support Second Emergency Act of 2009 (D.C. Act 18-207, October 15, 2009, 56 DCR 8234).

For temporary (90 day) addition, see § 1121(b) of Fiscal Year Budget Support Congressional Review Emergency Amendment Act of 2009 (D.C. Act 18-260, January 4, 2010, 57 DCR 345).

For temporary (90 day) additions, see §§ 2 to 4 of Executive Grant-Making Authority Limitation Emergency Act of 2009 (D.C. Act 18-280, January 13, 2010, 57 DCR 945).

For temporary (90 day) addition of section, see § 7063 of Fiscal Year 2011 Budget Support Emergency Act of 2010 (D.C. Act 18-463, July 2, 2010, 57 DCR 6542).

**Legislative history of Law 18-111.** — For Law 18-111, see notes following § 47-305.02.

**Short title.** — Short title: Section 1120 of D.C. Law 18-111 provided that subtitle M of

title I of the act may be cited as the “Grant-Making Authority Act of 2009”.

Short title: Section 7061 of D.C. Law 18-223 provided that subtitle G of title VII of the act may be cited as the “FY 2011 Capital Projects Modification Act of 2010”.

**References in text.** — The Hospital and Medical Services Corporation Regulatory Amendment Act of 2009, referred to in subsec. (b)(1), is subtitle N of title V of D.C. Law 18-111, §§ 5130, 5131, which amended § 31-3514.02.

**Editor’s notes.** — Section 7063 of D.C. Law 18-223 provided: “Sec. 7063. Grant-making authority for Ft. Lincoln and Lincoln Theater capital projects.

“The Deputy Mayor for Planning and Economic Development shall have grant-making authority for the purpose of providing funds to implement capital projects for the Ft. Lincoln and the Lincoln Theater capital projects.”

## *Subchapter IV-B. Adjustments to Appropriations.*

### § 47-369.01. General Fund surplus.

Beginning in fiscal year 2009 and each fiscal year thereafter, the amount appropriated to the District of Columbia may be increased by no more than \$100,000,000 from funds identified in the annual comprehensive annual financial report as the District’s immediately preceding fiscal year’s unexpended general fund surplus. The District may obligate and expend these amounts only in accordance with the following conditions:

(1) The Chief Financial Officer of the District of Columbia shall certify that the use of any such amounts is not anticipated to have a negative impact on the District’s long-term financial, fiscal, and economic vitality.

(2) The District of Columbia may only use these funds for the following expenditures:

- (A) One-time expenditures.
- (B) Expenditures to avoid deficit spending.
- (C) Debt Reduction.
- (D) Program needs.
- (E) Expenditures to avoid revenue shortfalls.

(3) The amounts shall be obligated and expended in accordance with laws enacted by the Council in support of each such obligation or expenditure.

(4) The amounts may not be used to fund the agencies of the District of Columbia government under court ordered receivership.

(5) The amounts may not be obligated or expended unless the Mayor notifies the Committees on Appropriations of the House of Representatives and the Senate not fewer than 30 days in advance of the obligation or expenditure.

(Mar. 11, 2009, 123 Stat. 698, Pub. L. 111-8, § 816.)

### § 47-369.02. Increases to appropriations.

(a) Beginning in fiscal year 2009 and each fiscal year thereafter, consistent



with revenue collections, the amount appropriated as District of Columbia Funds may be increased—

(1) by an aggregate amount of not more than 25 percent, in the case of amounts proposed to be allocated as “Other-Type Funds” in the annual Proposed Budget and Financial Plan submitted to Congress by the District of Columbia; and

(2) by an aggregate amount of not more than 6 percent, in the case of any other amounts proposed to be allocated in such Proposed Budget and Financial Plan.

(b) The District of Columbia may obligate and expend any increase in the amount of funds authorized under this section only in accordance with the following conditions:

(1) The Chief Financial Officer of the District of Columbia shall certify—

(A) the increase in revenue; and

(B) that the use of the amounts is not anticipated to have a negative impact on the long-term financial, fiscal, or economic health of the District.

(2) The amounts shall be obligated and expended in accordance with laws enacted by the Council of the District of Columbia in support of each such obligation and expenditure, consistent with the requirements of [this subchapter].

(3) The amounts may not be used to fund any agencies of the District government operating under court-ordered receivership.

(4) The amounts may not be obligated or expended unless the Mayor has notified the Committees on Appropriations of the House of Representatives and the Senate not fewer than 30 days in advance of the obligation or expenditure.

(Mar. 11, 2009, 123 Stat. 699, Pub. L. 111-8, § 817.)

**Temporary Addition of Section.** — Section 2 of D.C. Law 19-14 added a section to read as follows: “Sec. 2. Pursuant to section 817 of the Omnibus Appropriations Act, 2009, approved March 11, 2009 (123 Stat. 699; D.C. Official Code § 47-369.02), the Council authorizes an increase in the amount of \$16,160,000 in dedicated tax appropriations for the Housing Production Trust Fund, established by section 3 of the Housing Production Trust Fund Act of 1988, effective March 11, 1989 (D.C. Law 7-202; D.C. Official Code § 42-2801) (“Act”), managed

by the Department of Housing and Community Development, based upon a certified increase in dedicated tax revenues, to be allocated as designated in the Act.”

Section 5(b) of D.C. Law 19-14 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) addition of section, see § 2 of Housing Production Trust Fund Dedicated Tax Appropriations Authorization Emergency Act of 2011 (D.C. Act 19-66, May 13, 2011, 58 DCR 4250).

### § 47-369.03. Short-term borrowing from certain funds.

Beginning in fiscal year 2009 and each fiscal year thereafter, the Chief Financial Officer for the District of Columbia may, for the purpose of cash flow management, conduct short-term borrowing from the emergency reserve fund and from the contingency reserve fund established under section 450A of the District of Columbia Home Rule Act (Public Law 93-198) [§ 1-204.50a]: Provided, That the amount borrowed shall not exceed 50 percent of the total amount of funds contained in both the emergency and contingency reserve

funds at the time of borrowing: Provided further, That the borrowing shall not deplete either fund by more than 50 percent: Provided further, That 100 percent of the funds borrowed shall be replenished within 9 months of the time of the borrowing or by the end of the fiscal year, whichever occurs earlier: Provided further, That in the event that short-term borrowing has been conducted and the emergency or the contingency reserve funds are later depleted below 50 percent as a result of an emergency or contingency, an amount equal to the amount necessary to restore reserve levels to 50 percent of the total amount of funds contained in both the emergency and contingency reserve fund must be replenished from the amount borrowed within 60 days.

(Mar. 11, 2009, 123 Stat. 699, Pub. L. 111-8, § 818.)

**Cross references.** — Motor Vehicle Biennial Inspection Fund, accounting procedures, see § 50-1102.

Public service commission agency fund and

the office of the people's counsel agency fund, accounting procedures, see § 34-912.

Taxicab Commission Fund, accounting procedures, see § 50-320.

### *Subchapter V. Fund Accounting.*

#### **§ 47-371. Findings.**

The Council of the District of Columbia finds that:

(1) The diversity of governmental functions, activities, and programs requires that they be accounted for in several different funds and that the funds represent separate accounting entities;

(2) The number of funds should be kept to the minimum necessary for sound financial administration;

(3) The financial information and reporting needs can vary depending on the specific requirements of agency management, the Mayor, the Council, grantors, and the public;

(4) Change is increasingly a major factor in governmental accounting and reporting and the District must be capable of responding to these changes;

(5) Control and accountability over District resources is a primary function of all public officials and employees; and that the Mayor under § 1-204.48(a)(2) has the authority and responsibility for monitoring systems of accounting;

(6) The financial accounting of the District and the systems supporting this accounting must provide for timely, accurate, and full and complete financial disclosure;

(7) The fund structure and the financial systems and related accounting policies, practices, and procedures must provide information to demonstrate compliance with applicable laws and administrative regulations and enable the District to report its financial activities in accordance with generally accepted accounting principles;

(8) Section 47-119(a) requires that for the fiscal year beginning October 1, 1979, that financial statements should be prepared in accordance with generally accepted accounting principles;

(9) As an outgrowth of the study and activities of the Temporary Com-



mission on Financial Oversight of the District of Columbia, a proposed fund structure for the District has been recommended that will provide a modern financial systems base for sound financial management of the District, and preparation of financial statements in accordance with generally accepted accounting principles;

(10) The said system requires certain changes in the current fund structure of the District of Columbia; and

(11) The Council intends to adopt said fund structure and policies in order to respond to change and meet the information needs of the various users of financial information to assist the Mayor to design, implement and operate the financial systems and policies, procedures, practices and controls necessary for the sound financial management and administration of the District in a manner consistent with generally accepted accounting principles.

(June 14, 1980, D.C. Law 3-70, § 2, 27 DCR 1776; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-371.

**Legislative history of Law 3-70.** — Law 3-70, the “District of Columbia Fund Accounting Act of 1980,” was introduced in Council and assigned Bill No. 3-197, which was referred to the Committee on Human Services. The Bill

was adopted on first and second readings on March 18, 1980 and April 1, 1980, respectively. Signed by the Mayor on April 25, 1980, it was assigned Act No. 3-176 and transmitted to both Houses of Congress for its review.

## § 47-372. Definitions.

For purposes of this subchapter:

- (1) The term “Mayor” means the Mayor of the District of Columbia.
- (2) The term “Council” means the Council of the District of Columbia.
- (3) The term “fund” means a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.
- (4) The term “fund type” means grouping or classification of funds of similar character or purpose.
- (5) The term “fund category” means groupings or classifications of fund types of similar character or purpose.
- (6) The term “account group” means a grouping of accounts as provided in § 47-373(3).
- (7) The term “fixed asset” means capitalized, tangible, long-lived assets which are of significant value. General fixed assets are District fixed assets not recorded in a specific fund.
- (8) The term “generally accepted accounting principles” (GAAP) means uniform minimum standards of or guidelines to financial accounting and reporting which are promulgated by recognized authoritative accounting organizations or entities, such as, but not limited to, the Financial Accounting Standards Board (FASB) and predecessor organizations, the American Institute of Certified Public Accountants (AICPA), the National Council on Govern-

ment Accounting (NCGA), the Securities and Exchange Commission (SEC) and the Comptroller General of the United States.

(June 14, 1980, D.C. Law 3-70, § 3, 27 DCR 1776; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-372. legislative history of D.C. Law 3-70, see Historical and Statutory Notes following § 47-371.  
**Legislative history of Law 3-70.** — For

### § 47-373. Organization of fund structure.

Effective October 1, 1979, for purposes of accounting and financial reporting the District of Columbia shall utilize a fund structure organized into the following fund categories, fund types, and account groups:

(1) *Fund categories.* — All funds of the District of Columbia shall be classified and maintained by the Mayor into 1 of the following 3 categories:

(A) *Governmental funds.* — These funds shall be composed of accounts for the acquisition, use, and balance of the District's expendable financial resources and the related current liabilities except those funds accounted for in proprietary funds. The governmental fund category shall include the following fund types:

- (i) General;
- (ii) Capital projects; and
- (iii) Debt service;

(B) *Proprietary funds.* — These funds shall be composed of activities which are intended to be monitored in a manner similar to those found in the private sector. The assets, liabilities, equities, revenues, expenses, and transfers shall be separately accounted for in such fund and be maintained separately from the General Fund of the District of Columbia in accordance with the legal requirements applicable to such fund or in accordance with generally accepted accounting principles applicable to such funds. The following fund types shall be considered proprietary funds:

- (i) Enterprise funds;
- (ii) Municipal University Fund;
- (iii) Internal services funds;
- (iv) Hospital Fund;
- (v) Material fund;
- (vi) Antitrust fund; and
- (vii) Tenant Assistance Program;

(C) *Fiduciary funds.* — These funds shall consist of assets held by the District of Columbia in a trustee capacity or as an agent for individuals, private organizations, other governmental units or for similar types of purposes. This category shall include the following fund types:

- (i) Trust funds; and
- (ii) Agency funds.

(2) *Fund types.* — The Mayor shall maintain 9 fund types within the fund categories established in paragraph (1) of this section as follows:

(A) General Fund to account for all financial resources except those required to be accounted for in another fund;



(B) Capital projects funds to account for financial resources used for the acquisition or construction of major capital facilities other than those financed by proprietary or fiduciary funds;

(C) Debt service funds to account for the accumulation of resources for, and the payment of, interest and principal on general long-term debt;

(D) Enterprise funds to account for operations that are financed and operated in a manner similar to private business enterprises; or where it has been determined that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance public policy, management control, accountability, or other purposes;

(E) Internal service funds to account for the financing of goods or services provided by the fund to other departments, agencies or funds of the District, or to other governmental units, on a cost-reimbursement or fee for services basis;

(F) Municipal University Fund to account for the functions and activities of the University of the District of Columbia and its constituent funds;

(G) Hospital Fund to account for the function and activities of the D.C. General Hospital;

(H) Trust funds to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other government units, and/or other funds of a similar nature;

(I) Agency funds to account for assets held by the District in a custodial capacity as an agent for individuals, private organizations, other government units, and/or funds of a similar nature; and

(J) Antitrust fund to account for the investigation, preparation, institution, and maintenance of antitrust actions by the District of Columbia government.

(3) *Account groups.* — The Mayor shall maintain 2 account groups, the general fixed asset group of accounts and the general long-term debt group of accounts, to establish account control and accountability for the District's general fixed assets not accounted for in a specific fund and the unmatured principal of its general obligation long-term debt and any other non-current liabilities of the District not accounted for in a specific fund:

(A) The general fixed asset group of accounts shall be used to record the District's capitalized general fixed assets which are not recorded in proprietary or fiduciary funds. Fixed assets related to specific proprietary funds or fiduciary funds will be accounted for through those funds; and

(B) The general long-term debt group of accounts shall be used to record the unmatured principal of general obligations long-term debt and any other non-current general long-term liabilities which are not recorded in another proprietary or fiduciary fund. Non-current liabilities of proprietary funds and fiduciary funds will be accounted for through those funds.

(June 14, 1980, D.C. Law 3-70, § 4, 27 DCR 1776; Aug. 22, 1980, D.C. Law 3-82, § 4, 27 DCR 2647; Mar. 5, 1981, D.C. Law 3-169, § 3(b), 27 DCR 5368; Oct. 2, 1987, D.C. Law 7-30, § 6, 34 DCR 5304; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Cross references.** — Driver education program, trust fund, see § 50-1405.01.

Eastern market enterprise fund, see § 37-103.

License law, establishment of basic business license fund, see § 47-2851.13.

Recorder of deeds, automation and infrastructure improvement fund, see § 42-1214.

Sale of public lands, expenses and proceeds of sale, board of education real property improvement and maintenance fund, see §

**Section references.** — This section is referred to in §§ 6-202, 7-732, 7-733, 7-735, 7-1401, 8-2131.07, 34-1514, 34-1651, 44-234, 44-420.01, and 47-372.

**Prior Codifications.** — 1981 Ed., § 47-373.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 5 of Tenant Assistance Program Amendment Temporary Act of 1987 (D.C. Law 7-48, December 10, 1987, law notification 34 DCR 8107).

**Emergency legislation.** — For temporary amendment of section, see § 5 of the Tenant Assistance Program Amendment Emergency Act of 1987 (D.C. Act 7-57, July 1, 1987, 34 DCR 5293).

**Legislative history of Law 3-70.** — For legislative history of D.C. Law 3-70, see Historical and Statutory Notes following § 47-371.

**Legislative history of Law 3-82.** — Law 3-82, the "Educational Policy Amendments Act of 1980," was introduced in Council and assigned Bill No. 3-3, which was referred to the Committee of the Whole. The Bill was adopted

on first, amended first and second readings on April 22, 1980, May 6, 1980, and May 20, 1980, respectively. Signed by the Mayor on June 12, 1980, it was assigned Act No. 3-196 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 3-169.** — Law 3-169, the "District of Columbia Antitrust Act of 1980," was introduced in Council and assigned Bill No. 3-107, which was referred to the Committee on the Judiciary. The Bill was adopted on first and second readings on October 28, 1980 and November 12, 1980, respectively. Signed by the Mayor on November 25, 1980, it was assigned Act No. 3-300 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 7-30.** — Law 7-30, the "Tenant Assistance Program and Rental Housing Commission Amendment Act of 1987," was introduced in Council and assigned Bill No. 7-226, which was referred to the Committee on Consumer and Regulatory Affairs. The Bill was adopted on first and second readings on June 30, 1987 and July 14, 1987, respectively. Signed by the Mayor on July 21, 1987, it was assigned Act No. 7-58 and transmitted to both Houses of Congress for its review.

**Editor's notes.** — Restriction on moneys borrowed for capital projects: Section 120 of Pub. L. 101-168, the District of Columbia Appropriations Act, 1990, provided that the Mayor shall not expend any moneys borrowed for capital projects for the operating expenses of the District of Columbia government.

## § 47-374. Accepted accounting principles to be followed.

(a) Beginning October 1, 1979, the District will account for and report on, unless specifically noted in financial reports, its financial transactions in accordance with generally accepted accounting principles.

(b) The systems, procedures, and controls established by the Mayor shall permit the District to demonstrate and report on compliance with legal requirements and contractual agreements as well as generally accepted accounting principles.

(June 14, 1980, D.C. Law 3-70, § 5, 27 DCR 1776; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-374.

**Legislative history of Law 3-70.** — For

legislative history of D.C. Law 3-70, see Historical and Statutory Notes following § 47-371.

## § 47-375. Duties of Mayor.

(a) The Mayor shall be responsible for the future classification of any funds and accounts within the appropriate fund types and fund categories as set forth in this subchapter.



(b) Classification by the Mayor shall be consistent with generally accepted accounting principles.

(c) The Mayor shall furnish the Council notice of his or her classification at the time of the submission of the annual budget for the District of Columbia government as provided in § 1-204.42(a).

(d) The Mayor, pursuant to §§ 1-204.47, 1-204.48, and 1-204.49, shall be responsible for developing and implementing appropriate accounting policies and procedures to carry out the purposes of this subchapter, including all steps necessary to establish the systems and internal procedures and controls necessary to assure proper application of the policies and procedures and appropriate proceedings for monitoring such system.

(e) The financial statement submitted by the Mayor to the Council pursuant to § 1-204.48(a)(4) shall identify any changes in accounting principles and policies followed by the District, the reasons therefore, and the practical effect of the changes.

(f) To the maximum extent possible, common terminology and classifications will be used in the budgeting, accounting and reporting process.

(g) The Mayor is authorized to establish for accounting and financial reporting purposes a Water and Sewer Enterprise Fund in accordance with generally accepted accounting principles.

(h) The enumeration contained in this section shall not be construed so as to limit the Mayor's authority with respect to classification and establishment of appropriate accounting procedures for other funds or accounts not specifically referenced.

(i) Nothing contained in the Revenue Funds Availability Act of 1975 shall prevent the Mayor from accounting for revenues and expenditures in accordance with generally accepted accounting principles.

(June 14, 1980, D.C. Law 3-70, §§ 6, 7(h)-(j), 27 DCR 1776; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Cross references.** — Insurance, uninsured motorist fund, see § 31-2408.01.

Water and sewer enterprise fund, establishment, see § 34-2202.07.

Water supply, sale of property in satisfaction of unpaid service charges, water and sewer enterprise fund, see § 34-2407.02.

**Prior Codifications.** — 1981 Ed., § 47-375.

**Legislative history of Law 3-70.** — For legislative history of D.C. Law 3-70, see Historical and Statutory Notes following § 47-371.

**References in text.** — The Revenue Funds Availability Act of 1975, referred to in subsection (i) of this section, is D.C. Law 1-42.

## § 47-376. Construction of subchapter.

(a) Nothing in this subchapter shall be construed as impinging upon or otherwise superseding the authority otherwise vested by law in independent agencies or instrumentalities of the District of Columbia.

(b) Nothing in this subchapter shall be construed to prohibit the Mayor from establishing accounts within funds, to the same extent that he or she was authorized prior to the passage of this subchapter.

(c) The Mayor shall promptly advise the Council on any changes in the financial management system required pursuant to § 2 of an Act to provide for

an independent audit of the financial condition of the government of the District of Columbia.

(June 14, 1980, D.C. Law 3-70, § 8, 27 DCR 1776; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-376.  
**Legislative history of Law 3-70.** — For legislative history of D.C. Law 3-70, see Historical and Statutory Notes following § 47-371.  
**References in text.** — The Act referred to in

subsection (c) of this section is 90 Stat. 1205, Pub. L. 94-399, approved September 4, 1976, which established the Temporary Commission on Financial Oversight of the District of Columbia.

## § 47-377. Financial obligations of District.

The Mayor is authorized to establish such systems as may be required for the accounting and certification of financial obligations of the District of Columbia government and may, through delegations and designations of District government officials and agencies (identified by name in the District of Columbia Register prior to such delegation or designation), provide for the decentralized audit and approval before payment of bills, invoices, payrolls, and other evidence of claims, demands, or charges against the District of Columbia government.

(June 14, 1980, D.C. Law 3-70, § 9, 27 DCR 1776; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-377.  
**Legislative history of Law 3-70.** — For

legislative history of D.C. Law 3-70, see Historical and Statutory Notes following § 47-371.

### *Subchapter VI. Funds Control.*

## § 47-381. Findings.

The Council of the District of Columbia finds:

(1) That there exists a public perception that the District budget approved by the Council, after considerable careful public examination, is the plan which determines the manner in which District funds will be spent;

(2) That the District's new financial management system, which became operative in fiscal year 1980, provides the Council a new level of budget information;

(3) That questions remain in regard to the role of the Council with respect to ongoing oversight and control of the District budget;

(4) That a large portion of the District's annual expenditures are funded by grants from the federal government and private sources. Although these grant funds are a major portion of the District's program process, to a great extent, planning and allocation of these funds are without public participation through the legislative process;

(5) That under the District's new financial management system, the Council will be excluded from approval or review of federal grant funds to District agencies;



(6) That the District does not have a legislative process to address and control all city expenditures from all revenue sources; and

(7) That there is a need to clearly define the continuing role of the Council in the budget process in order to resolve those questions critical to the shaping of public policy and the prudent management of publicly entrusted tax dollars.

(Sept. 16, 1980, D.C. Law 3-104, § 2, 27 DCR 3748; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-381.

**Legislative history of Law 3-104.** — Law 3-104, the “District of Columbia Funds Control Act of 1980,” was introduced in Council and assigned Bill No. 3-169, which was referred to the Committee of the Whole. The Bill was

adopted on first and second readings on June 17, 1980 and July 1, 1980, respectively. Disapproved by the Mayor on July 22, 1980, but re-enacted on July 29, 1980, it was assigned Act No. 3-229 and transmitted to both Houses of Congress for its review.

## § 47-382. Definitions.

For the purposes of this subchapter, the term:

(1) “Agency” means the highest organizational structure of the District at which budgeting data is aggregated, but shall not include the District of Columbia Courts.

(2) “Control budget” means the mechanism for the implementation and execution of the District obligational and revenue activities for any given fiscal year.

(3) “Control center” means 1 or more responsibility centers aggregated for financial controls purposes.

(4) “Council” means the Council of the District of Columbia.

(5) “Days” means calendar days.

(6) “District” means the District of Columbia government.

(7) “Formula grant” means any grant which allocates federal funds to the District in accordance with distribution formulas prescribed by law for activities of a continuing nature not confined to a specific project.

(8) “Grant” or “grant funds” means all grants-in-aid, block grants, reimbursements, including reimbursement for indirect costs, or other similar programs, the funds, or budgetary authority for which are provided by the federal government, other than through appropriation of revenue funds or any fund required by act of Congress to be treated as a local revenue. The term “grant funds” also includes any private funds voluntarily donated to the District and accepted by it for a specific purpose not connected with the payment of a tax, fee, charge, or other similar legal obligation.

(9) “Grant-making agency” means the federal government or private source of grant funds.

(10) “Gross planning budget” means the planning budget of the District including all anticipated revenue irrespective of source, and all planned expenditures presented at the responsibility center level of detail.

(11) “Non-appropriated budget authority” means the authority of the District to incur obligations and make payments for specified purposes against funds which are not subject to approval by the Congress in the annual appropriations act for the District.

(12) “Responsibility center” means the primary level at which a budget is established for financial control purposes.

(13) “Revenue funds” means all funds derived from taxes, fees, charges, miscellaneous receipts, annual federal payments to the District authorized by law, funds derived from the sale of bonds which are general obligations of the District, general revenue sharing funds, or any other funds which are not grant funds as defined by this subchapter.

(14) “State plan” means any plan or revision thereto other than an application to be filed with and approved by a grantor as a condition of receiving grant funds.

(Sept. 16, 1980, D.C. Law 3-104, § 3, 27 DCR 3748; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Aug. 5, 1997, 111 Stat. 754, Pub. L. 105-33, § 11245(c)(1).)

**Prior Codifications.** — 1981 Ed., § 47-382.  
**Legislative history of Law 3-104.** — For

legislative history of D.C. Law 3-104, see Historical and Statutory Notes following § 47-381.

## § 47-383. Grant application procedure.

(a) All grant applications shall be prepared in the name of the government of the District of Columbia. Any agency, other than those referred to in subsection (b) of this section, which desires to receive grant funds or submit a state plan shall request approval by the Mayor subject to regulations issued by the Mayor in accordance with the provisions of § 2-505.

(b) The Trustees of the University of the District of Columbia, the Board of Education, and the D.C. General Hospital Commission shall submit to the Mayor two copies of the application and completed approval form, as an advisory notice, concurrent with submitting the application and completed approval form to a grant-making agency in accordance with rules and regulations issued pursuant to subsection (c) of this section.

(c) Those agencies identified in subsection (b) of this section shall, within 180 days of September 16, 1980, develop rules and regulations for grant applications review and approval consistent with the responsibilities of the governing bodies of those agencies, and such rules and regulations shall be issued in accordance with the provisions of § 2-505.

(Sept. 16, 1980, D.C. Law 3-104, § 4, 27 DCR 3748; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Aug. 5, 1997, 111 Stat. 754, Pub. L. 105-33, § 11245(c)(2).)

**Section references.** — This section is referred to in §§ 47-384 and 47-385.

**Prior Codifications.** — 1981 Ed., § 47-383.

**Legislative history of Law 3-104.** — For legislative history of D.C. Law 3-104, see Historical and Statutory Notes following § 47-381.

**Delegation of Authority.** — Delegation of Authority to the City Administrator to Issue and Enforce Policies and Procedures for Grants and Subgrants, see Mayor’s Order 2010-168, October 15, 2010 (57 DCR 10008).

## § 47-384. Notice of application for grant funds.

(a) The Mayor shall monthly give notice to the Council of every proposed



application for grant funds or state plan approved by the Mayor. In giving notice to the Council, the Mayor shall provide a summary of a grant application's major provisions including, but not limited to:

- (1) The grant-making agency to whom the application is made;
- (2) The period of the proposed grant;
- (3) Whether the proposed grant is new or a request for a renewal or revision of an existing grant;

(4) A statement summarizing the purpose of the grant, and indicating its relationship to any proposed or adopted state plan, if appropriate;

(5) A statement as to whether or not the function for which the grant is sought is already being performed by the District or within the private sector and, if so, how the grant will affect service delivery;

(6) The amount to be received by fiscal year;

(7) The amount of District appropriated funds, by fiscal year, to be used as a match, or the dollar equivalent and type of in-kind services to be used as a match by fiscal year and the impact on the agency budget providing the match;

(8) A statement indicating the agency which shall administer the grant and any subgrantees including other District agencies, private organizations, or individuals;

(9) A planning budget at the control center level for the grant, and the match, if any, including the number of employees by program structures, grade, position, and title who may be employed as a result of the grant;

(10) A statement setting forth the quantitative and qualitative measures to be employed, if any, to judge the effectiveness and efficiency of the program in meeting its stated goals;

(11) A statement describing the public participation, if any, in the formulation of the grant request;

(12) A statement indicating whether or not an audit is to be made during the life of the grant or at its expiration, and if so, by whom and the scope of the audit to be performed;

(13) A statement as to whether or not an environmental impact statement is required or planned;

(14) A statement as to how the objectives of the grant will be performed or funded, if at all, when the grant expires, and any proposed commitment to continue meeting the objectives at the end of the grant period with District appropriated funds or other grant funds, including an estimate of the annual cost of that commitment; and

(15) A statement of the amount of indirect cost charged to the grant, and where appropriate, a statement of grant-making agency policy or legislation for indirect costs recoveries which are different from negotiated agreements; and the proposed allocation of indirect costs recovered on the grant.

(b) The Mayor shall monthly provide public notice of grant applications in the D.C. Register in accordance with the provisions of the District of Columbia Administrative Procedure Act (§ 2-505); and such public notice shall also be provided by the presiding officer of the governing bodies of those agencies identified in § 47-383(b); and such notice shall include, but not be limited to, a summary of the information required pursuant to subsection (a) of this section.

(Sept. 16, 1980, D.C. Law 3-104, § 5, 27 DCR 3748; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-385.

**Prior Codifications.** — 1981 Ed., § 47-384.

**Legislative history of Law 3-104.** — For legislative history of D.C. Law 3-104, see Historical and Statutory Notes following § 47-381.

## § 47-385. Procedure for Council consent to certain grant applications and state plans.

(a) *Applications and state plans requiring Council consent.* — In addition to the notice required by § 47-384, the terms and conditions of each grant application or state plan which provides for or requests any of the following shall be approved by consent of the Council prior to submission to the federal grant-making agency:

- (1) Any formula grant of more than \$5,000,000;
- (2) Any grant or state plan requiring the obligation of more than \$100,000 in matching funds or in-kind contributions in any fiscal year; or
- (3) Any other grant funded program which, in the Mayor's reasonable expectation, will require future annual funding of \$100,000 or more out of District revenue funds after the termination of the proposed grant.

(b) *Submission to and consent by Council.* —

(1) The Mayor, 5 days before approving any grant application or state plan meeting any of the criterion of subsection (a) of this section, shall submit a copy of such application or state plan to the Chairman of the Council, along with such information as required by § 47-384(a) and including copies of any state plans which are required as a condition of a grant.

(2) The Chairman of the Council shall circulate such application or state plan to the members of the Council with a notice labeling it as requiring Council consent for submission to a grant-making agency.

(3) The Mayor shall cause to be published in the D.C. Register public notice of such submission. The notice shall include a statement that Council consent is required pursuant to this section.

(4) The Council shall consider such application or state plan according to its rules. Should no written notice of disapproval of such application or state plan be filed by any member of the Council within 14 days of the receipt of such application from the Mayor, the consent of the Council to the application shall be deemed to be given. Should notice of disapproval be filed during such initial 14-day period, the Council shall dispose of such notice of disapproval within 30 days of the initial receipt of the application from the Mayor, or Council consent to the application shall be deemed to be given; provided, that nothing in this paragraph shall be construed to waive any requirement for affirmative Council approval by the grant-making agency.

(5) No applications or state plans may be submitted to the Chairman of the Council during such time as the Council is on recess, according to its rules, nor shall any time period provided in this section continue to run during such time as the Council is on recess.

(c) *Reconsideration by Council.* — If the Council withholds its consent to a grant application, the Mayor may, on a clear showing of changed circum-



stances, new information, or additional administrative hardship, ask for a reconsideration of the previous action of the Council. The Council may at its discretion reconsider its previous action.

(d) *Exemptions.* — The grants submitted by agencies identified in § 47-383(b) are exempt from the provisions of this section.

(Sept. 16, 1980, D.C. Law 3-104, § 6, 27 DCR 3748; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-385. legislative history of D.C. Law 3-104, see Historical and Statutory Notes following § 47-381.  
**Legislative history of Law 3-104.** — For

### *Subchapter VI-A. Certification of Accumulated General Fund Balance.*

## **§ 47-387.01. Certification by the CFO of minimum 5% accumulated general fund balance.**

The Chief Financial Officer (“CFO”) shall, within 30 days of receipt of the Comprehensive Annual Financial Report, certify the District’s accumulated general fund balance for the immediately preceding fiscal year and both the estimated nominal gross domestic product growth rate (“nominal GDP growth”) and estimated real gross domestic product growth rate (“real GDP growth”) indicated in the annual Congressional Budget Office (“CBO”) economic and budget outlook report mandated by the Congressional Budget Act of 1974 published each January, commonly known as the winter report. The CFO shall submit the certification to the Council and the Mayor. The Certification shall have the following effects:

(1) If the certification demonstrates that the accumulated general fund balance is less than 5% of the general fund operating budget for the current fiscal year, the certification shall be published in the D.C. Register along with a notice that any provisions of this title affected by the certification shall be inapplicable.

(2) If the certification demonstrates that the nominal GDP growth reflected in the CBO winter report published in January of that fiscal year is less than or equal to 3.5% or that the real GDP growth reflected in the same report is less than or equal to 1.7% then the certification shall be published in the D.C. Register along with a notice that any provisions of this title affected by the certification shall be inapplicable.

(3) The notice published in the D.C. Register shall specify the particular provisions of this subchapter that shall be inapplicable.

(Oct. 20, 1999, D.C. Law 13-38, § 2702(a)(2), 46 DCR 6373; Oct. 1, 2002, D.C. Law 14-190, § 802(a), 49 DCR 6968.)

**Cross references.** — Establishment of real property tax rates, see § 47-812.

Income and franchise taxes, residents and nonresidents, imposition and rates, see § 47-1806.03.

Real property tax rates, property classes, see § 47-813.

Tax on corporations and financial institutions, levy and rates, see § 47-1807.02.

Tax on unincorporated businesses, levy and

rates, see § 47-1808.03.

**Effect of amendments.** — D.C. Law 14-190, in the introductory paragraph, deleted “for fiscal years 1999, 2000, 2001, and 2002” from the first sentence.

**Emergency legislation.** — For temporary (90-day) addition of section, see § 2702(a)(2) of the Service Improvement and Fiscal Year 2000 Budget Support Emergency Act of 1999 (D.C. Act 13-110, July 28, 1999, 46 DCR 6320).

For temporary (90 day) amendment of section, see § 802(a) of Fiscal Year 2003 Budget Support Emergency Act of 2002 (D.C. Act 14-453, July 23, 2002, 49 DCR 8026).

**Legislative history of Law 13-38.** — Law 13-38, the “Service Improvement and Fiscal Year 2000 Budget Support Act of 1999,” was

introduced in Council and assigned Bill No. 13-161, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on May 11, 1999, and June 22, 1999, respectively. Signed by the Mayor on July 8, 1999, it was assigned Act No. 13-111 and transmitted to both Houses of Congress for its review. D.C. Law 13-38 became effective on October 20, 1999.

For Law 190, see notes following § 47-308.01.

**Short title.** — Short title of subtitle A of title VIII of Law 14-190: Section 801 of D.C. Law 14-190 provided that subtitle A of title VIII of the act may be cited as the Tax Rate Revision Amendment Act of 2002.

## *Subchapter VI-B. Certifications for Maintenance of Effort and Matching Funds.*

### **§ 47-387.51. Maintenance of Effort and Matching funds inclusion in budget.**

Beginning with the Fiscal Year 2003 Proposed Budget and Financial Plan, the Chief Financial Officer shall certify to the Council that the Mayor has included in the proposed budget and financial plan the amounts necessary to meet and maintain the local requirements for Maintenance of Effort and Matching funds and the certification shall be included in the proposed budget and financial plan submitted by the Mayor to the Council.

(Oct. 3, 2001, D.C. Law 14-28, § 4802, 48 DCR 6981; Mar. 13, 2004, D.C. Law 15-105, § 79(a), 51 DCR 881.)

**Effect of amendments.** — D.C. Law 15-105 validated previously made technical corrections.

**Emergency legislation.** — For temporary (90 day) addition of section, see § 4302 of Fiscal Year 2002 Budget Support Emergency Act of 2001 (D.C. Act 14-124, August 3, 2001, 48 DCR 7861).

**Legislative history of Law 14-28.** — Law 14-28, the “Fiscal Year 2002 Budget Support Act of 2001”, was introduced in Council and

assigned Bill No. 14-144, which was referred to the Committee Of the Whole. The Bill was adopted on first and second readings on May 1, 2001, and June 5, 2001, respectively. Signed by the Mayor on June 29, 2001, it was assigned Act No. 14-85 and transmitted to both Houses of Congress for its review. D.C. Law 14-28 became effective on October 3, 2001.

**Legislative history of Law 15-105.** — For Law 15-105, see notes following § 47-340.22.

### **§ 47-387.52. Effect of reprogrammings on Maintenance of Effort and Matching funds.**

Beginning in Fiscal Year 2002, the Chief Financial Officer shall certify that any proposed reprogramming by the Mayor will not affect the amounts necessary to meet and maintain the local requirements for Maintenance of Effort and Matching funds and the certification shall be included in the proposed reprogramming request submitted by the Mayor to the Council.



(Oct. 3, 2001, D.C. Law 14-28, § 4803, 48 DCR 6981; Mar. 13, 2004, D.C. Law 15-105, § 79(b), 51 DCR 881.)

**Cross references.** — Chief Financial Officer of the District of Columbia, functions during control year, see § 1-204.24a.

**Effect of amendments.** — D.C. Law 15-105 validated a previously made technical correction.

**Emergency legislation.** — For temporary (90 day) addition of section, see § 4303 of Fiscal

Year 2002 Budget Support Emergency Act of 2001 (D.C. Act 14-124, August 3, 2001, 48 DCR 7861).

**Legislative history of Law 14-28.** — For Law 14-28, see notes following § 47-387.51.

**Legislative history of Law 15-105.** — For Law 15-105, see notes following § 47-340.22.

## *Subchapter VII. Financial Responsibility and Management Assistance.*

### PART A.

#### ESTABLISHMENT AND ORGANIZATION OF AUTHORITY.

### **§ 47-391.01. District of Columbia Financial Responsibility and Management Assistance Authority.**

(a) *Establishment.* — Pursuant to Article I, section 8, clause 17 of the Constitution of the United States, there is hereby established the District of Columbia Financial Responsibility and Management Assistance Authority, consisting of members appointed by the President in accordance with subsection (b) of this section. Subject to the conditions described in § 47-391.08 and except as otherwise provided in this Act, the Authority is established as an entity within the government of the District of Columbia, and is not established as a department, agency, establishment, or instrumentality of the United States Government.

(b) *Membership.* —

(1) *In general.* — The Authority shall consist of 5 members appointed by the President who meet the qualifications described in subsection (c) of this section, except that the Authority may take any action under this Act (or any amendments made by this Act) at any time after the President has appointed 3 of its members.

(2) *Consultation with Congress.* — The President shall appoint the members of the Authority after consulting with the Chair of the Committee on Appropriations and the Chair of the Committee on Government Reform and Oversight of the House of Representatives, the Chair of the Committee on Appropriations and the Chair of the Committee on Governmental Affairs of the Senate, and the Delegate to the House of Representatives from the District of Columbia.

(3) *Chair.* — The President shall designate one of the members of the Authority as the Chair of the Authority.

(4) *Sense of Congress regarding deadline for appointment.* — It is the sense of Congress that the President should appoint the members of the

Authority as soon as practicable after April 17, 1995, but in no event later than 25 days after April 17, 1995.

(5) *Term of service.* —

(A) *In general.* — Except as provided in subparagraph (B) of this paragraph, each member of the Authority shall be appointed for a term of 3 years.

(B) *Appointment for term following initial term.* — As designated by the President at the time of appointment for the term immediately following the initial term, of the members appointed for the term immediately following the initial term:

- (i) 1 member shall be appointed for a term of 1 year;
- (ii) 2 members shall be appointed for a term of 2 years; and
- (iii) 2 members shall be appointed for a term of 3 years.

(C) *Removal.* — The President may remove any member of the Authority only for cause.

(D) *Continuation of service until successor appointed.* — Upon the expiration of a term of office, a member of the Authority may continue to serve until a successor has been appointed.

(c) *Qualifications for membership.* — An individual meets the qualifications for membership on the Authority if the individual:

- (1) Has knowledge and expertise in finance, management, and the organization or operation of business or government;
- (2) Does not provide goods or services to the District government (and is not the spouse, parent, child, or sibling of an individual who provides goods and services to the District government);
- (3) Is not an officer or employee of the District government; and
- (4) Maintains a primary residence in the District of Columbia or has a primary place of business in the District of Columbia.

(d) *No compensation for service.* — Members of the Authority shall serve without pay, but may receive reimbursement for any reasonable and necessary expenses incurred by reason of service on the Authority.

(e) *Adoption of by-laws for conducting business of Authority.* —

(1) *In general.* — As soon as practicable after the appointment of its members, the Authority shall adopt by-laws, rules, and procedures governing its activities under this Act, including procedures for hiring experts and consultants. Such by-laws, rules, and procedures shall be public documents, and shall be submitted by the Authority upon adoption to the Mayor, the Council, the President, and Congress.

(2) *Certain activities requiring approval of majority of members.* — Under the by-laws adopted pursuant to paragraph (1) of this subsection, the Authority may conduct its operations under such procedures as it considers appropriate, except that an affirmative vote of a majority of the members of the Authority shall be required in order for the Authority to:

(A) Approve or disapprove a financial plan and budget under part B of this subchapter [§ 47-392.01 et seq.];

(B) Implement recommendations on financial stability and management responsibility under § 47-392.07;



(C) Give consent to the appointment of the Chief Financial Officer of the District of Columbia under part Bi of subchapter IV of Chapter 2 of Title 1 [§ 1-204.24a et seq.]; and

(D) Give consent to the appointment of the Inspector General of the District of Columbia under § 2-302.08(a) [§ 1-301.115a(a)].

(3) *Adoption of rules and regulations of District of Columbia.* — The Authority may incorporate in its by-laws, rules, and procedures under this subsection such rules and regulations of the District government as it considers appropriate to enable it to carry out its activities under this Act with the greatest degree of independence practicable.

(Apr. 17, 1995, 109 Stat. 100, Pub. L. 104-8, § 101; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Oct. 21, 1998, 112 Stat. 2681-149, Pub. L. 105-277, § 164.)

**Cross references.** — Chief financial officer, powers during control periods, see § 47-317.03a.

Council, limitations on authority, see § 1-206.02.

Mayor's authority to reduce budgets of independent agencies, see § 1-204.53.

Performance and financial accountability of departments, Mayor's submission of reports, see § 1-204.56b.

Procurement, office of the inspector general, powers and duties, reports, see § 2-302.08.

**Section references.** — This section is referred to in §§ 2-1219.01, 9-109.03, 38-1800.02, 47-393, and 47-3401.05.

**Prior Codifications.** — 1981 Ed., § 47-391.1.

**References in text.** — "This Act," referred to in subsections (a), (b)(1), (e)(1) and (e)(3) is the District of Columbia Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995, 109 Stat. 97, Pub. L. 104-8.

**Editor's notes.** — Management reform: Section 161 of Pub. L. 105-277 provided that notwithstanding any other provisions of law, funds allocated to management reform by the District of Columbia Financial Responsibility and Management Assistance Authority under Pub. L. 105-200 (111 Stat. 2159), as contained in the Authority's notification of June 24, 1998, shall remain available for management reform until September 30, 1999, provided that said funds shall not exceed \$3,200,000.

## CASE NOTES

### Equal protection.

Residents of District of Columbia lacked standing to bring action against District of Columbia Financial Responsibility and Management Assistance Authority (Control Board), alleging that existence of Control Board denied them equal protection by preventing them from electing representatives to Congress and from

enjoying benefits of citizenship in state; residents' alleged injury, namely the denial of their right to elect representatives of Congress and to enjoy benefits of state citizenship, would not be redressed by abolition of Control Board. U.S.C. Const.Amend. 5; D.C. Code 1981, § 47-391.1 et seq. *Adams v. Clinton*, 90 F.Supp.2d 27, 2000 U.S. Dist. LEXIS 3226 (2000).

## § 47-391.02. Executive Director and staff of Authority.

(a) *Executive Director.* — The Authority shall have an Executive Director who shall be appointed by the Chair with the consent of the Authority. The Executive Director shall be paid at a rate determined by the Authority, except that such rate may not exceed the rate of basic pay payable for level IV of the Executive Schedule.

(b) *Staff.* — With the approval of the Chair, the Executive Director may appoint and fix the pay of additional personnel as the Executive Director considers appropriate, except that no individual appointed by the Executive

Director may be paid at a rate greater than the rate of pay for the Executive Director.

(c) *Inapplicability of certain employment and procurement laws.* —

(1) *Civil service laws.* — The Executive Director and staff of the Authority may be appointed without regard to the provisions of Title 5, United States Code, governing appointments in the competitive service, and paid without regard to the provisions of Chapter 51 and subchapter III of Chapter 53 of that title relating to classification and General Schedule pay rates.

(2) *District employment and procurement laws.* — The Executive Director and staff of the Authority may be appointed and paid without regard to the provisions of the District of Columbia Official Code governing appointments and salaries. The provisions of the District of Columbia Official Code governing procurement shall not apply to the Authority.

(d) *Staff of Federal agencies.* — Upon request of the Chair, the head of any Federal department or agency may detail, on a reimbursable or nonreimbursable basis, any of the personnel of that department or agency to the Authority to assist it in carrying out its duties under this Act.

(e) *Preservation of retirement and certain other rights of federal employees who become employed by the Authority.* —

(1) *In general.* — Any federal employee who becomes employed by the Authority:

(A) May elect, for purposes set forth in paragraph (2)(A) of this subsection, to be treated, for so long as that individual remains continuously employed by the Authority, as if such individual had not separated from service with the federal government, subject to paragraph (3) of this subsection; and

(B) Shall, if such employee subsequently becomes reemployed by the federal government, be entitled to have such individual's service with the Authority treated, for purposes of determining the appropriate leave accrual rate, as if it had been service with the federal government.

(2) *Effect of an election.* — An election made by an individual under the provisions of paragraph (1)(A) of this subsection:

(A) Shall qualify such individual for the treatment described in such provisions for purposes of:

(i) Chapter 83 or 84 of Title 5, United States Code, as appropriate (relating to retirement), including the Thrift Savings Plan;

(ii) Chapter 87 of such title (relating to life insurance); and

(iii) Chapter 89 of such title (relating to health insurance); and

(B) Shall disqualify such individual, while such election remains in effect, from participating in the programs offered by the government of the District of Columbia (if any) corresponding to the respective programs referred to in subparagraph (A) of this paragraph.

(3) *Conditions for an election to be effective.* — An election made by an individual under paragraph (1)(A) of this subsection shall be ineffective unless:

(A) It is made before such individual separates from service with the federal government; and

(B) Such individual's service with the Authority commences within 3 days after so separating (not counting any holiday observed by the government of the District of Columbia).



(4) *Contributions.* — If any individual makes an election under paragraph (1)(A) of this subsection, the Authority shall, in accordance with applicable provisions of law referred to in paragraph (2)(A) of this subsection, be responsible for making the same deductions from pay and the same agency contributions as would be required if it were a federal agency.

(5) *Regulations.* — Any regulations necessary to carry out this subsection shall be prescribed in consultation with the Authority by:

(A) The Office of Personnel Management, to the extent that any program administered by the office is involved;

(B) The appropriate office or agency of the government of the District of Columbia, to the extent that any program administered by such office or agency is involved; and

(C) The Executive Director referred to in § 8474 of Title 5, United States Code, to the extent that the Thrift Savings Plan is involved.

(f) *Federal benefits for others.* —

(1) *In general.* — The Office of Personnel Management, in conjunction with each corresponding office or agency of the government of the District of Columbia and in consultation with the Authority, shall prescribe regulations under which any individual who becomes employed by the Authority (under circumstances other than as described in subsection (e)) may elect either:

(A) To be deemed a Federal employee for purposes of the programs referred to in subsection (e)(2)(A)(i) through (iii) of this section; or

(B) To participate in 1 or more of the corresponding programs offered by the government of the District of Columbia.

(2) *Effect of an election.* — An individual who elects the option under paragraph (1)(A) and (B) of this subsection shall be disqualified, while such election remains in effect, from participating in any of the programs referred to in the other such subparagraph.

(3) *Definition of corresponding office or agency.* — For purposes of paragraph (1), the term “corresponding office or agency of the government of the District of Columbia” means, with respect to any program administered by the Office of Personnel Management, the office or agency responsible for administering the corresponding program (if any) offered by the government of the District of Columbia.

(4) *Thrift Savings Plan.* — To the extent that the Thrift Savings Plan is involved, the preceding provisions of this subsection shall be applied by substituting “the Executive Director referred to in section 8474 of Title 5, United States Code” for “the Office of Personnel Management”.

(g)(1) *Additional election for former federal employees serving on date of enactment; election for employees appointed during interim period.* —

(A) *In general.* — Any former federal employee employed by the Authority on the effective date of the regulations referred to in subsection (h)(1)(A) of this section may, within such period as may be provided for under those regulations, make an election similar, to the maximum extent practicable, to the election provided for under subsection (e) of this section. Such regulations shall be prescribed jointly by the Office of Personnel Management and each corresponding office or agency of the government of the District of Columbia in the same manner as provided for in subsection (f) of this section.

(B) *Exception.* — An election under this paragraph may not be made by any individual who:

(i) Is not then participating in a retirement system for federal employees (disregarding Social Security); or

(ii) Is then participating in any program of the government of the District of Columbia referred to in subsection (e)(2)(B) of this section.

(2) *Election for employees appointed during interim period.* —

(A) *From the federal government.* — Subsection (e) of this section (as last in effect before April 24, 1996) shall be deemed to have remained in effect for purposes of any federal employee who becomes employed by the District of Columbia Financial Responsibility and Management Assistance Authority during the period beginning on such date of enactment and ending on the day before the effective date of the regulations prescribed to carry out paragraph (1) of this subsection.

(B) *Other individuals.* — The regulations prescribed to carry out subsection (f) of this section shall include provisions under which an election under subsection (f) of this section shall be available to any individual who:

(i) Becomes employed by the District of Columbia Financial Responsibility and Management Assistance Authority during the period beginning on April 24, 1996, and ending on the day before the effective date of such regulations;

(ii) Would have been eligible to make an election under such regulations had those regulations been in effect when such individual became so employed; and

(iii) Is not then participating in any program of the government of the District of Columbia referred to in subsection (f)(1)(B) of this section.

(h) *Effective date.* — Not later than 6 months after April 24, 1996, there shall be prescribed in consultation with the Authority (and take effect):

(1) Regulations to carry out subsections (e), (f), and (g) of this section; and

(2) Any other regulations necessary to carry out subsections (e), (f), and (g) of this section.

(Apr. 17, 1995, 109 Stat. 101, Pub. L. 104-8, § 102; Apr. 26, 1996, 110 Stat. 1321 221, Pub. L. 104-134, §§ 153(b)(1)-(3); enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-391.2.

**References in text.** — “This Act,” referred to in subsection (d), is the District of Columbia

Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995, 109 Stat. 97, Pub. L. 104-8.

## § 47-391.03. Powers of Authority.

(a) *Hearings and sessions.* — The Authority may, for the purpose of carrying out this Act, hold hearings, sit and act at times and places, take testimony, and receive evidence as the Authority considers appropriate. The Authority may administer oaths or affirmations to witnesses appearing before it.

(b) *Powers of members and agents.* — Any member or agent of the Authority



may, if authorized by the Authority, take any action which the Authority is authorized to take by this section.

(c) *Obtaining official data.* —

(1) *From Federal government.* — Notwithstanding sections 552 (commonly known as the Freedom of Information Act), 552a (the Privacy Act of 1974), and 552b (the Government in the Sunshine Act) of Title 5, United States Code, the Authority may secure directly from any department or agency of the United States information necessary to enable it to carry out this Act, with the approval of the head of that department or agency.

(2) *From District government.* — Notwithstanding any other provision of law, the Authority shall have the right to secure copies of such records, documents, information, or data from any entity of the District government necessary to enable the Authority to carry out its responsibilities under this Act. At the request of the Authority, the Authority shall be granted direct access to such information systems, records, documents or information or data as will enable the Authority to carry out its responsibilities under this Act. The head of the entity of the District government responsible shall provide the Authority with such information and assistance (including granting the Authority direct access to automated or other information systems) as the Authority requires under this paragraph.

(d) *Gifts, bequests, and devises.* — The Authority may accept, use, and dispose of gifts, bequests, or devises of services or property, both real and personal, for the purpose of aiding or facilitating the work of the Authority. Gifts, bequests, or devises of money and proceeds from sales of other property received as gifts, bequests, or devises shall be deposited in such account as the Authority may establish and shall be available for disbursement upon order of the Chair.

(e) *Subpoena power.* —

(1) *In general.* — The Authority may issue subpoenas requiring the attendance and testimony of witnesses and the production of any evidence relating to any matter under investigation by the Authority. The attendance of witnesses and the production of evidence may be required from any place within the United States at any designated place of hearing within the United States.

(2) *Failure to obey a subpoena.* — If a person refuses to obey a subpoena issued under paragraph (1) of this subsection, the Authority may apply to a United States district court for an order requiring that person to appear before the Authority to give testimony, produce evidence, or both, relating to the matter under investigation. The application may be made within the judicial district where the hearing is conducted or where that person is found, resides, or transacts business. Any failure to obey the order of the court may be punished by the court as civil contempt.

(3) *Service of subpoenas.* — The subpoenas of the Authority shall be served in the manner provided for subpoenas issued by United States district court under the Federal Rules of Civil Procedure for the United States district courts.

(4) *Service of process.* — All process of any court to which application is

made under paragraph (2) of this subsection may be served in the judicial district in which the person required to be served resides or may be found.

(f) *Administrative support services.* — Upon the request of the Authority, the Administrator of General Services shall promptly provide to the Authority, on a reimbursable basis, the administrative support services necessary for the Authority to carry out its responsibilities under this Act.

(g) *Authority to enter into contracts.* — The Executive Director may enter into such contracts as the Executive Director considers appropriate (subject to the approval of the Chair) to carry out the Authority's responsibilities under this Act.

(h) *Civil actions to enforce powers.* — The Authority may seek judicial enforcement of its authority to carry out its responsibilities under this Act.

(i) *Penalties.* —

(1) *Acts prohibited.* — Any officer or employee of the District government who:

(A) Takes any action in violation of any valid order of the Authority or fails or refuses to take any action required by any such order; or

(B) Prepares, presents, or certifies any information (including any projections or estimates) or report for the Board or any of its agents that is false or misleading, or, upon learning that any such information is false or misleading, fails to immediately advise the Board or its agents thereof in writing, shall be guilty of a misdemeanor, and shall be fined not more than \$1,000, imprisoned for not more than 1 year, or both.

(2) *Administrative discipline.* — In addition to any other applicable penalty, any officer or employee of the District government who knowingly and willfully violates paragraph (1) of this subsection shall be subject to appropriate administrative discipline, including (when appropriate) suspension from duty without pay or removal from office by order of either the Mayor or Authority.

(3) *Report by Mayor on disciplinary actions taken.* — In the case of a violation of paragraph (1) of this subsection by an officer or employee of the District government, the Mayor shall immediately report to the Board all pertinent facts together with a statement of the action taken thereon.

(Apr. 17, 1995, 109 Stat. 103, Pub. L. 104-8, § 103; Apr. 26, 1996, 110 Stat. 1321 221, Pub. L. 104-134, § 153(a); Sept. 30, 1996, 110 Stat. 3009 1455, 1456, Pub. L. 104-208, §§ 5203(b), (c); enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-391.05.

**Prior Codifications.** — 1981 Ed., § 47-391.3.

**References in text.** — "This Act," referred

to in subsections (a), (c)(1), (c)(2), (f), (g), and (h), is the District of Columbia Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995, 109 Stat. 97, Pub. L. 104.8.

## CASE NOTES

### In general.

Statute empowering District of Columbia Financial Responsibility and Management Assis-

tance Authority to "accept, use, and dispose of gifts, bequests, or devises of services or property" did not disallow Authority's acquisition of



property by means not mentioned, and therefore Authority's purchase of apartment building was proper. District of Columbia Fin. Responsibility & Mgmt. Auth. v. Concerned Senior

Citizens of the Roosevelt Tenant Assoc., 129 F.Supp.2d 13, 2000 U.S. Dist. LEXIS 18865 (2000).

#### § 47-391.04. Exemption from liability for claims for authority employees.

The Authority, its members, and its employees may not be liable for any obligation of or claim against the Authority or its members or employees or the District of Columbia resulting from actions taken to carry out this Act.

(Apr. 17, 1995, 109 Stat. 105, Pub. L. 104-8, § 104; Apr. 26, 1996, 110 Stat. 1321 224, Pub. L. 104-134, § 153(c); enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-391.4.

**References in text.** — "This Act," referred to in this section, is the District of Columbia

Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995, 109 Stat. 97, Pub. L. 104-8.

#### § 47-391.05. Treatment of actions arising from act.

(a) *Jurisdiction established in District Court for District of Columbia.* — Except as provided in § 47-391.03(e)(2) (relating to the issuance of an order enforcing a subpoena), any action against the Authority or any action otherwise arising out of this Act, in whole or in part, shall be brought in the United States District Court for the District of Columbia.

(b) *Prompt appeal.* —

(1) *Court of appeals.* — Notwithstanding any other provision of law, any order of the United States District Court for the District of Columbia which is issued pursuant to an action brought under subsection (a) of this section shall be reviewable only pursuant to a notice of appeal to the United States Court of Appeals for the District of Columbia Circuit.

(2) *Supreme Court.* — Notwithstanding any other provision of law, review by the Supreme Court of the United States of a decision of the Court of Appeals which is issued pursuant to paragraph (1) of this subsection may be had only if the petition for such review is filed within 10 days after the entry of such decision.

(c) *Timing of relief.* — No order of any court granting declaratory or injunctive relief against the Authority, including relief permitting or requiring the obligation, borrowing, or expenditure of funds, shall take effect during the pendency of the action before such court, during the time appeal may be taken, or (if appeal is taken) during the period before the court has entered its final order disposing of such action.

(d) *Expedited consideration.* — It shall be the duty of the United States District Court for the District of Columbia, the United States Court of Appeals for the District of Columbia Circuit, and the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of any matter brought under subsection (a) of this section.

(Apr. 17, 1995, 109 Stat. 105, Pub. L. 104-8, § 105; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-391.5.

**References in text.** — “This Act,” referred to in subsection (a), is the District of Columbia

Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995, 109 Stat. 97, Pub. L. 104-8.

#### CASE NOTES

##### **Construction and application.**

Disappointed bidder’s protest to the bidding process for public schools project, which resulted in a contract award by the Financial Responsibility and Management Assistance Authority, could be brought only in the United States District Court, not before the Contract Appeals Board (CAB) nor the superior court, where terms of the award contained no indication that the Authority was not exercising its full power to supplant the decision of the District of Columbia Public Schools Office of Acqui-

sitions and Contracts (DCPS); statute governing procurement practices for the District excluded the Authority from reach of District’s procurement law and, hence, the jurisdiction of the Board, while statute governing treatment of actions arising from Act creating the Authority provided that any action against the Authority or arising out of the Act could be brought only in federal court. *A. L. Eastmond & Sons, Inc. v. D.C. Contract Appeals Bd.*, 795 A.2d 52, 2002 D.C. App. LEXIS 75 (2002).

## § 47-391.06. Funding for operation of Authority.

(a) *Annual budgeting process.* —

(1) *Submission of budget.* — The Authority shall submit a proposed budget for each fiscal year to the President for inclusion in the annual budget for the District of Columbia under part D of title IV of the District of Columbia Home Rule Act not later than the May 1 prior to the first day of the fiscal year. In the case of the budget for fiscal year 1996, the Authority shall submit its proposed budget not later than July 15, 1995.

(2) *Contents of budget.* — The budget shall describe:

(A) Expenditures of the Authority by each object class, including expenditures for staff of the Authority;

(B) Services of personnel and other services provided by or on behalf of the Authority for which the Authority made no reimbursement; and

(C) Any gifts or bequests made to the Authority during the previous fiscal year.

(3) *Appropriations required.* — No amount may be obligated or expended by the Authority for a fiscal year (beginning with fiscal year 1996) unless such amount has been approved by Act of Congress, and then only according to such Act.

(b) *Special rule for funding of operations during fiscal year 1995.* — As soon as practicable after the appointment of its members, the Authority shall submit to the Mayor and the President:

(1) A request for reprogramming of funds under subsection (c)(1) of this section; and

(2) A description of anticipated expenditures of the Authority for fiscal year 1995 (which shall be transmitted to Congress).

(c) *Sources of funds.* —

(1) *Use of previously appropriated funds in District budget.* — The Mayor shall transfer funds previously appropriated to the District government for a



fiscal year for auditing and consulting services to the Authority (in such amounts as are provided in the budget request of the Authority under subsection (a) of this section or, with respect to fiscal year 1995, the request submitted under subsection (b)(1) of this section) for the purpose of carrying out the Authority's activities during the fiscal year.

(2) *Other sources of funds.* — For provisions describing the sources of funds available for the operations of the Authority during a fiscal year (in addition to any interest earned on accounts of the Authority during the year), see § 47-392.04(b)(1)(A) (relating to the set-aside of amounts requisitioned from the Treasury by the Mayor) and § 47-392.13(b)(3) (relating to the use of interest accrued from amounts in a debt service reserve fund of the Authority).

(d) *Use of interest on accounts for the District.* —

(1) *In general.* — Notwithstanding any other provision of this act, the Authority may transfer or otherwise expend any amounts derived from interest earned on accounts held by the Authority on behalf of the District of Columbia for such purposes as it considers appropriate to promote the economic stability and management efficiency of the District government.

(2) *Spending not subject to appropriation by Congress.* — Notwithstanding subsection (a)(3) of this section, any amounts transferred or otherwise expended pursuant to paragraph (1) of this subsection may be obligated or expended without approval by Act of Congress.

(Apr. 17, 1995, 109 Stat. 105, Pub. L. 104-8, § 106; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Aug. 5, 1997, 111 Stat. 782, Pub. L. 105-33, § 11711(a); Apr. 20, 1999, D.C. Law 12-264, § 52(f), 46 DCR 2118.)

**Section references.** — This section is referred to in §§ 47-392.04 and 47-392.13.

**Prior Codifications.** — 1981 Ed., § 47-391.6.

**Legislative history of Law 12-264.** — Law 12-264, the "Technical Amendments Act of 1998," was introduced in Council and assigned Bill No. 12-804, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 10, 1998, and December 1, 1998, respectively. Signed by the Mayor on January 7, 1999, it was assigned Act No. 12-626 and transmitted to both Houses of Congress for its review. D.C. Law 12-264 became effective on April 20, 1999.

**References in text.** — "Part D of title IV of the District of Columbia Home Rule Act," referred to in (a)(1), is part D, §§ 441 to 456, of Title IV of Pub. L. 93-198, 87 Stat. 774, approved December 24, 1973, which are codified as §§ 1-204.51, 1-204.52, 1-204.41, 1-204.55, 1-204.50, 1-204.56a to 1-204.56e, 1-204.42 to 1-204.47, 1-204.48 and 1-204.49.

"This act," referred to in (d)(1), is title XI of Pub. L. 105-33, 111 Stat. 712, the National Capital Revitalization and Self-Government Improvement Act of 1997.

## § 47-391.07. Suspension of activities.

(a) *Suspension upon payment of Authority obligations.* —

(1) *In general.* — Upon the expiration of the 12-month period which begins on the date that the Authority certifies that all obligations arising from the issuance by the Authority of bonds, notes, or other obligations pursuant to part C of this subchapter have been discharged, and that all borrowings by or on behalf of the District of Columbia pursuant to §§ 47-3401 through 47-3401.04, have been repaid, the Authority shall suspend any activities carried out under this Act and the terms of the members of the Authority shall expire.

(2) *No suspension during control year.* — The Authority may not suspend its activities pursuant to paragraph (1) of this subsection at any time during a control year.

(b) *Reactivation upon initiation of control period.* — Upon receiving notice from the Chairs of the Appropriations Committees of the House of Representatives and the Senate that a control period has been initiated (as described in § 47-392.09) at any time after the Authority suspends its activities under subsection (a) of this section, the President shall appoint members of the Authority, and the Authority shall carry out activities under this Act, in the same manner as the President appointed members and the Authority carried out activities prior to such suspension.

(Apr. 17, 1995, 109 Stat. 106, Pub. L. 104-8, § 107; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-392.21.

**Prior Codifications.** — 1981 Ed., § 47-391.7.

**References in text.** — “This Act,” referred

to in subsections (a) and (b), is the District of Columbia Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995, 109 Stat. 97, Pub. L. 104-8.

## § 47-391.08. Application of laws of District of Columbia to Authority.

(a) *In general.* — The following laws of the District of Columbia (as in effect on April 17, 1995) shall apply to the members and activities of the Authority:

- (1) § 1-207.42;
- (2) §§ 2-531 through 2-536; and
- (3) § 1-1162.23.

(b) *No control, supervision, oversight, or review by Mayor or Council.* — Neither the Mayor nor the Council may exercise any control, supervision, oversight, or review over the Authority or its activities.

(c) *Authority not subject to representation by Attorney General for the District of Columbia.* — In any action brought by or on behalf of the Authority, and in any action brought against the Authority, the Authority shall be represented by such counsel as it may select, but in no instance may the Authority be represented by the Attorney General for the District of Columbia.

(Apr. 17, 1995, 109 Stat. 107, Pub. L. 104-8, § 108; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 13, 2005, D.C. Law 15-354, § 73(a)(3), 52 DCR 2638; Mar. 2, 2007, D.C. Law 16-191, § 48(h)(1), 53 DCR 6794; Apr. 27, 2012, D.C. Law 19-124, § 501(n)(1), 59 DCR 1862.)

**Section references.** — This section is referred to in § 47-391.01.

**Prior Codifications.** — 1981 Ed., § 47-391.8.

**Effect of amendments.** — D.C. Law 15-354 substituted “Attorney General for the District of Columbia” for “Corporation Counsel”.

D.C. Law 16-191, in subsec. (c), validated a previously made technical correction.

D.C. Law 19-124, in subsec. (a)(3), substituted “§ 1-1162.23” for “§ 1-1106.01”.

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 401(n)(1) of Board of Ethics and Government Accountability Establishment and Comprehensive Ethics Reform Emergency Amendment Act of 2012 (D.C. Act 19-298, January 29, 2012, 59 DCR 683).



**Legislative history of Law 15-354.** — For Law 15-354, see notes following § 47-340.03.

**Legislative history of Law 16-191.** — For Law 16-191, see notes following § 47-138.01a.

**Legislative history of Law 19-124.** — Law 19-124, the “Board of Ethics and Government Accountability Establishment and Comprehensive Ethics Reform Amendment Act of 2011”, was introduced in Council and assigned Bill

No. 19-511, which was referred to the Committee on Government Operations. The Bill was adopted on first and second readings on December 6, 2011, and December 20, 2011, respectively. Signed by the Mayor on February 27, 2012, it was assigned Act No. 19-318 and transmitted to both Houses of Congress for its review. D.C. Law 19-124 became effective on April 27, 2012.

### CASE NOTES

#### **In general.**

District of Columbia Financial Responsibility and Management Assistance Authority is not subject to District of Columbia Housing Act, given Act’s absence from statute identifying those District of Columbia laws applicable to Authority. District of Columbia Fin. Responsibility & Mgmt. Auth. v. Concerned Senior Citizens of the Roosevelt Tenant Assoc., 129 F.Supp.2d 13, 2000 U.S. Dist. LEXIS 18865 (2000).

Letter in which District of Columbia indi-

cated that it was subject to District of Columbia Housing Act did not establish that Act was applicable to District; there was no legal authority holding that District had to adhere to so-called interpretation of District of Columbia statute, and letter did not purport to be official interpretation with binding effect. District of Columbia Fin. Responsibility & Mgmt. Auth. v. Concerned Senior Citizens of the Roosevelt Tenant Assoc., 129 F.Supp.2d 13, 2000 U.S. Dist. LEXIS 18865 (2000).

## § 47-391.09. Chief Management Officer.

(a) The Authority may employ a Chief Management Officer of the District of Columbia, who shall be appointed by the Chair with the consent of the Authority. The Chief Management Officer shall assist the Authority in the fulfillment of its responsibilities under the District of Columbia Management Reform Act of 1997, subtitle B of the National Capital Revitalization and Self-Government Improvement Act of 1997, title XI of Public Law 105-33, to improve the effectiveness and efficiency of the District of Columbia Government. The Authority may delegate to the Chief Management Officer responsibility for oversight and supervision of departments and functions of the District of Columbia Government, or successor departments and functions, consistent with the District of Columbia Management Reform Act of 1997, subtitle B of the National Capital Revitalization and Self-Government Improvement Act of 1997, title XI of Public Law 105-33. The Chief Management Officer shall report directly to the Authority, through the Chair of the Authority, and shall be directed in his or her performance by a majority of the Authority. The Chief Management Officer shall be paid at an annual rate determined by the Authority sufficient in the judgment of the Authority to obtain the services of an individual with the skills and experience required to discharge the duties of the office.

(b) *Employment contract.* — Notwithstanding any other provision of law, the employment agreement entered into as of January 15, 1998, between the Chief Management Officer and the District of Columbia Financial Responsibility and Management Assistance Authority shall be valid in all respects.

(Apr. 17, 1995, 109 Stat. 141, Pub. L. 104-8, § 109, as added Oct. 21, 1998, 112 Stat. 2681-148, Pub. L. 105-277, § 159.)

**Prior Codifications.** — 1981 Ed., § 47-391.9.

PART B.

ESTABLISHMENT AND ENFORCEMENT OF FINANCIAL PLAN AND BUDGET FOR DISTRICT GOVERNMENT.

**§ 47-392.01. Development of financial plan and budget for District of Columbia.**

(a) *Development of financial plan and budget.* — For each fiscal year for which the District government is in a control period, the Mayor shall develop and submit to the Authority a financial plan and budget for the District of Columbia in accordance with this section.

(b) *Contents of financial plan and budget.* — A financial plan and budget for the District of Columbia for a fiscal year shall specify the budgets for the District government under part D of title IV of the District of Columbia Home Rule Act [§§ 1-204.41 through 1-204.56e] for the applicable fiscal year and the next 3 fiscal years (including the projected revenues and expenditures of each fund of the District government for such years), in accordance with the following requirements:

(1) The financial plan and budget shall meet the standards described in subsection (c) of this section to promote the financial stability of the District government.

(2) The financial plan and budget shall provide for estimates of revenues and expenditures on a modified accrual basis.

(3) The financial plan and budget shall:

(A) Describe lump sum expenditures by department by object class;

(B) Describe capital expenditures (together with a schedule of projected capital commitments of the District government and proposed sources of funding);

(C) Contain estimates of short-term and long-term debt (both outstanding and anticipated to be issued); and

(D) Contain cash flow forecasts for each fund of the District government at such intervals as the Authority may require.

(4) The financial plan and budget shall include a statement describing methods of estimations and significant assumptions.

(5) The financial plan and budget shall include any other provisions and shall meet such other criteria as the Authority considers appropriate to meet the purposes of this Act, including provisions for changes in personnel policies and levels for each department or agency of the District government, changes in the structure and organization of the District government, and management initiatives to promote productivity, improvement in the delivery of services, or cost savings.

(c) *Standards to promote financial stability described.* —



(1) *In general.* — The standards to promote the financial stability of the District government applicable to the financial plan and budget for a fiscal year are as follows:

(A) In the case of the financial plan and budget for fiscal year 1996, the expenditures of the District government for each fiscal year (beginning with fiscal year 1998) may not exceed the revenues of the District government for each such fiscal year.

(B) During fiscal years 1996 and 1997, the District government shall make continuous, substantial progress towards equalizing the expenditures and revenues of the District government for such fiscal years (in equal annual installments to the greatest extent possible).

(C) The District government shall provide for the orderly liquidation of the cumulative fund balance deficit of the District government, as evidenced by financial statements prepared in accordance with generally accepted accounting principles.

(D) If funds in accounts of the District government which are dedicated for specific purposes have been withdrawn from such accounts for other purposes, the District government shall fully restore the funds to such accounts.

(E) The financial plan and budget shall assure the continuing long-term financial stability of the District government, as indicated by factors including access to short-term and long-term capital markets, the efficient management of the District government's workforce, and the effective provision of services by the District government.

(2) *Application of sound budgetary practices.* — In meeting the standards described in paragraph (1) of this subsection with respect to a financial plan and budget for a fiscal year, the District government shall apply sound budgetary practices, including reducing costs and other expenditures, improving productivity, increasing revenues, or combinations of such practices.

(3) *Assumptions based on current law.* — In meeting the standards described in paragraph (1) of this subsection with respect to a financial plan and budget for a fiscal year, the District government shall base estimates of revenues and expenditures on Federal law as in effect at the time of the preparation of the financial plan and budget.

(Apr. 17, 1995, 109 Stat. 108, Pub. L. 104-8, § 201; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Aug. 5, 1997, 111 Stat. 779, Pub. L. 105-33, § 11602(a).)

**Cross references.** — Budget and financial management, control years, forwarding budgets consistent with financial plan and budget established under this chapter, see § 1-206.03.

D.C. charter schools, long-term reform plan, see § 38-1801.01.

**Section references.** — This section is referred to in §§ 2-301.05a, 10-1001.01, 47-392.02, 47-392.22, and 47-393.

**Prior Codifications.** — 1981 Ed., § 47-392.1.

**Emergency legislation.** — For temporary

(90 day) multiyear budget plans for specific programs, see §§ 4002 to 4007 of Fiscal Year 2002 Budget Support Emergency Act of 2001 (D.C. Act 14-124, August 3, 2001, 48 DCR 7861).

**References in text.** — "This Act," referred to in subsection (b)(5), is the District of Columbia Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995, 109 Stat. 97, Pub. L. 104-8.

**Editor's notes.** — Sections 4402 to 4407 of D.C. Law 14-28 provided:

"Sec. 4402. No later than September 30, 2001, the following agencies and agencies responsible for the following programs, shall submit to the Council of the District of Columbia and to the Chief Financial Officer a multiyear financial plan as required by this title:

"(1) Risk Management programs administered by the Mayor;

"(2) Department of Mental Health; and

"(3) Settlements and Judgments Fund administered by the Corporation Counsel.

"Sec. 4403. The multiyear financial plan required by this title shall detail the projected cost of services for that agency or program for fiscal years 2002 through 2005, and shall be based on a performance plan for the same fiscal years. The multiyear financial plan shall specify reasonable assumptions for inflation, personal service levels, and wage increases, and identify all budgetary assumptions being used. The multiyear financial plan shall calculate and specify the cost per fiscal year to achieve the objectives and goals set forth in the performance plan.

"Sec. 4404. (a) For the purposes of this title, 'performance plan' is a detailed statement that includes:

"(1) A mission statement—a broad statement of central purpose;

"(2) Objectives—less broad statements of desired outcomes resulting from accomplishing the mission; and

"(3) Goals—target levels of performance expressed in tangible, measurable terms, against which actual achievement of objectives can be compared; a goal may be expressed as a population target, or as a quantitative standard, value, or rate.

"(b) The performance plan shall describe the strategy for how the mission (including its objectives and goals) will be accomplished. This description of strategy shall include all of the

functions, activities, operations, and projects required for effective implementation of the performance plan. There shall be one or more measures of performance, that address both quantity and quality, for each goal. The performance plan shall state measurable or objective performance goals and objectives for all significant activities of the agency or program. The plan shall identify(describe and quantify) the classes of persons to be served and how(qualitatively and quantitatively) those classes will change as a result of the mission, objectives, and goals.

"(c) The performance plan shall also provide national norms, industry standards, typical benchmarks, performance measures from other cities, or other relevant comparative data.

"(d) An agency which prepared a performance plan pursuant to Title XLIV of the Fiscal Year 2001 Budget Support Act of 2000, effective October 19, 2000 (D.C. Law 13-172; 47 DCR 6308), in the previous fiscal year shall also provide an analysis of the agency's performance vis-a-vis its performance plan.

"Sec. 4405. The multiyear financial plan shall include all funds, including local and federal funds.

"Sec. 4406. For each of the agencies specified in section 4402, the performance plan shall detail how the agency or program will provide improved service delivery that:

"(1) Fulfills its mission (including objectives and goals);

"(2) Reduces expenditures, especially from local funds; and

"(3) Creates operational efficiencies to accomplish this.

"Sec. 4407. The Chief Financial Officer shall have the authority to require greater specificity in the multiyear plan prior to submission, and to work with agencies to improve their submission."

## § 47-392.02. Process for submission and approval of financial plan and annual District budget.

(a) *Submission of preliminary financial plan and budget by Mayor.* — Not later than the February 1 preceding a fiscal year for which the District government is in a control period, the Mayor shall submit to the Authority and the Council a financial plan and budget for the fiscal year which meets the requirements of § 47-392.01.

(b) *Review by authority.* — Upon receipt of the financial plan and budget for a fiscal year from the Mayor under subsection (a) of this section, the Authority shall promptly review the financial plan and budget. In conducting the review, the Authority may request any additional information it considers necessary and appropriate to carry out its duties under this part.

(c) *Action upon approval of Mayor's preliminary financial plan and budget.*



(1) *Certification to Mayor.* —

(A) *In general.* — If the Authority determines that the financial plan and budget for the fiscal year submitted by the Mayor under subsection (a) of this section meets the requirements applicable under § 47-392.01:

(i) The Authority shall approve the financial plan and budget and shall provide the Mayor, the Council, the President, and Congress with a notice certifying its approval; and

(ii) The Mayor shall promptly submit the financial plan and budget to the Council pursuant to § 1-204.42.

(B) *Deemed approval after 30 days.* —

(i) *In general.* — If the Authority has not provided the Mayor, the Council, and Congress with a notice certifying approval under subparagraph (A)(i) of this paragraph or a statement of disapproval under subsection (d)(1) of this section upon the expiration of the 30-day period which begins on the date the Authority receives the financial plan and budget from the Mayor under subsection (a) of this section, the Authority shall be deemed to have approved the financial plan and budget and to have provided the Mayor, the Council, the President, and Congress with the notice certifying approval described in subparagraph (A)(i) of this paragraph.

(ii) *Explanation of failure to respond.* — If sub-subparagraph (i) of this subparagraph applies with respect to a financial plan and budget, the Authority shall provide the Mayor, the Council, the President and Congress with an explanation for its failure to provide the notice certifying approval or the statement of disapproval during the 30-day period described in sub-subparagraph (i) of this subparagraph.

(2) *Adoption of financial plan and budget by Council after receipt of approved financial plan and budget.* — Notwithstanding the first sentence of § 1-204.46, not later than 30 days after receiving the financial plan and budget for the fiscal year from the Mayor under paragraph (1)(A)(ii) of this subsection, the Council shall by Act adopt a financial plan and budget for the fiscal year which shall serve as the adoption of the budgets of the District government for the fiscal year under such section, and shall submit such financial plan and budget to the Mayor and the Authority.

(3) *Review of Council financial plan and budget by Authority.* — Upon receipt of the financial plan and budget for a fiscal year from the Council under paragraph (2) of this subsection (taking into account any items or provisions disapproved by the Mayor or disapproved by the Mayor and reenacted by the Council under § 1-204.04(f)), the Authority shall promptly review the financial plan and budget. In conducting the review, the Authority may request any additional information it considers necessary and appropriate to carry out its duties under this part.

(4) *Results of Authority review of Council's initial financial plan and budget.* —

(A) *Approval of Council's initial financial plan and budget.* — If the Authority determines that the financial plan and budget for the fiscal year submitted by the Council under paragraph (2) of this subsection meets the requirements applicable under § 47-392.01:

(i) The Authority shall approve the financial plan and budget and shall provide the Mayor, the Council, the President, and Congress with a notice certifying its approval; and

(ii) The Council shall promptly submit the financial plan and budget to the Mayor for transmission to the President and Congress under § 1-204.46.

(B) *Disapproval of Council's initial budget.* — If the Authority determines that the financial plan and budget for the fiscal year submitted by the Council under paragraph (2) of this subsection does not meet the requirements applicable under § 47-392.01, the Authority shall disapprove the financial plan and budget, and shall provide the Mayor, the Council, the President, and Congress with a statement containing:

(i) The reasons for such disapproval;

(ii) The amount of any shortfall in the budget or financial plan; and

(iii) Any recommendations for revisions to the budget the Authority considers appropriate to ensure that the budget is consistent with the financial plan and budget.

(C) *Deemed approval after 15 days.* —

(i) *In general.* — If the Authority has not provided the Mayor, the Council, the President, and Congress with a notice certifying approval under subparagraph (A)(i) of this paragraph or a statement of disapproval under subparagraph (B) of this paragraph upon the expiration of the 15-day period which begins on the date the Authority receives the financial plan and budget from the Council under paragraph (2) of this subsection, the Authority shall be deemed to have approved the financial plan and budget and to have provided the Mayor, the Council, the President, and Congress with the notice certifying approval described in subparagraph (A)(i) of this paragraph.

(ii) *Explanation of failure to respond.* — If sub-subparagraph (i) of this subparagraph applies with respect to a financial plan and budget, the Authority shall provide the Mayor, the Council, the President and Congress with an explanation for its failure to provide the notice certifying approval or the statement of disapproval during the 15-day period described in sub-subparagraph (i) of this subparagraph.

(5) *Authority review of Council's revised financial plan and budget.* —

(A) *Submission of Council's revised financial plan and budget.* — Not later than 15 days after receiving the statement from the Authority under paragraph (4)(B) of this subsection, the Council shall promptly by Act adopt a revised financial plan and budget for the fiscal year which addresses the reasons for the Authority's disapproval cited in the statement, and shall submit such financial plan and budget to the Mayor and the Authority.

(B) *Approval of Council's revised financial plan and budget.* — If, after reviewing the revised financial plan and budget for a fiscal year submitted by the Council under subparagraph (A) of this paragraph in accordance with the procedures described in this subsection, the Authority determines that the revised financial plan and budget meets the requirements applicable under § 47-392.01:

(i) The Authority shall approve the financial plan and budget and shall provide the Mayor, the Council, the President, and Congress with a notice certifying its approval; and



(ii) The Council shall promptly submit the financial plan and budget to the Mayor for transmission to the President and Congress under § 1-204.46.

(C) *Disapproval of Council's revised financial plan and budget.* —

(i) *In general.* — If, after reviewing the revised financial plan and budget for a fiscal year submitted by the Council under subparagraph (A) of this paragraph in accordance with the procedures described in this subsection, the Authority determines that the revised financial plan and budget does not meet the applicable requirements under § 47-392.01, the Authority shall:

(I) Disapprove the financial plan and budget;

(II) Provide the Mayor, the Council, the President, and Congress with a statement containing the reasons for such disapproval and describing the amount of any shortfall in the financial plan and budget; and

(III) Approve and recommend a financial plan and budget for the District government which meets the applicable requirements under § 47-392.01, and submit such financial plan and budget to the Mayor, the Council, the President, and Congress.

(ii) *Transmission of rejected financial plan and budget.* — The Council shall promptly submit the revised financial plan and budget disapproved by the Authority under this subparagraph to the Mayor for transmission to the President and Congress under § 1-204.46.

(D) *Deemed approval after 15 days.* —

(i) *In general.* — If the Authority has not provided the Mayor, the Council, the President, and Congress with a notice certifying approval under subparagraph (B)(i) of this paragraph or a statement of disapproval under subparagraph (C) of this paragraph upon the expiration of the 15-day period which begins on the date the Authority receives the revised financial plan and budget submitted by the Council under subparagraph (A) of this paragraph, the Authority shall be deemed to have approved the revised financial plan and budget and to have provided the Mayor, the Council, the President, and Congress with the notice certifying approval described in subparagraph (B)(i) of this paragraph.

(ii) *Explanation of failure to respond.* — If sub-subparagraph (i) of this subparagraph applies with respect to a financial plan and budget, the Authority shall provide the Mayor, the Council, the President and Congress with an explanation for its failure to provide the notice certifying approval or the statement of disapproval during the 15-day period described in sub-subparagraph (i) of this subparagraph.

(6) *Deadline for transmission of financial plan and budget by Authority.* — Notwithstanding any other provision of this section, not later than the June 15 preceding each fiscal year which is a control year, the Authority shall:

(A) Provide Congress with a notice certifying its approval of the Council's initial financial plan and budget for the fiscal year under paragraph (4)(A) of this subsection;

(B) Provide Congress with a notice certifying its approval of the Council's revised financial plan and budget for the fiscal year under paragraph (5)(B) of this subsection; or

(C) Submit to Congress an approved and recommended financial plan

and budget of the Authority for the District government for the fiscal year under paragraph (5)(C) of this subsection.

(d) *Action upon disapproval of Mayor's preliminary financial plan and budget.* —

(1) *Statement of disapproval.* — If the Authority determines that the financial plan and budget for the fiscal year submitted by the Mayor under subsection (a) of this section does not meet the requirements applicable under § 47-392.01, the Authority shall disapprove the financial plan and budget, and shall provide the Mayor and the Council with a statement containing:

(A) The reasons for such disapproval;

(B) The amount of any shortfall in the financial plan and budget; and

(C) Any recommendations for revisions to the financial plan and budget the Authority considers appropriate to ensure that the financial plan and budget meets the requirements applicable under § 47-392.01.

(2) *Authority review of Mayor's revised financial plan and budget.* —

(A) *Submission of Mayor's revised financial plan and budget.* — Not later than 15 days after receiving the statement from the Authority under paragraph (1) of this subsection, the Mayor shall promptly submit to the Authority and the Council a revised financial plan and budget for the fiscal year which addresses the reasons for the Authority's disapproval cited in the statement.

(B) *Approval of Mayor's revised financial plan and budget.* — If the Authority determines that the revised financial plan and budget for the fiscal year submitted by the Mayor under subparagraph (A) of this paragraph meets the requirements applicable under § 47-392.01:

(i) The Authority shall approve the financial plan and budget and shall provide the Mayor, the Council, the President, and Congress with a notice certifying its approval; and

(ii) The Mayor shall promptly submit the financial plan and budget to the Council pursuant to § 1-204.42.

(C) *Disapproval of Mayor's revised financial plan and budget.* —

(i) *In general.* — If the Authority determines that the revised financial plan and budget for the fiscal year submitted by the Mayor under subparagraph (A) of this paragraph does not meet the requirements applicable under § 47-392.01, the Authority shall:

(I) Disapprove the financial plan and budget;

(II) Shall provide the Mayor, the Council, the President, and Congress with a statement containing the reasons for such disapproval; and

(III) Recommend a financial plan and budget for the District government which meets the requirements applicable under § 47-392.01 and submit such financial plan and budget to the Mayor and the Council.

(ii) *Submission of rejected financial plan and budget.* — The Mayor shall promptly submit the revised financial plan and budget disapproved by the Authority under this subparagraph to the Council pursuant to § 1-204.42.

(D) *Deemed approval after 15 days.* —

(i) *In general.* — If the Authority has not provided the Mayor, the Council, the President, and Congress with a notice certifying approval under



subparagraph (B)(i) of this paragraph or a statement of disapproval under subparagraph (C) of this paragraph upon the expiration of the 15-day period which begins on the date the Authority receives the revised financial plan and budget submitted by the Mayor under subparagraph (A) of this paragraph, the Authority shall be deemed to have approved the revised financial plan and budget and to have provided the Mayor, the Council, the President, and Congress with the notice certifying approval described in subparagraph (B)(i) of this paragraph.

(ii) *Explanation of failure to respond.* — If sub-subparagraph (i) of this subparagraph applies with respect to a financial plan and budget, the Authority shall provide the Mayor, the Council, the President and Congress with an explanation for its failure to provide the notice certifying approval or the statement of disapproval during the 15-day period described in sub-subparagraph (i) of this subparagraph.

(3) *Action by Council.* —

(A) *Adoption of financial plan and budget.* — Notwithstanding the first sentence of § 1-204.46, not later than 30 days after receiving the Mayor's approved revised financial plan and budget for the fiscal year under paragraph (2)(B) of this subsection or (in the case of a financial plan and budget disapproved by the Authority) the financial plan and budget recommended by the Authority under paragraph (2)(C)(i)(III) of this subsection, the Council shall by Act adopt a financial plan and budget for the fiscal year which shall serve as the adoption of the budgets of the District government for the fiscal year under such section, and shall submit the financial plan and budget to the Mayor and the Authority.

(B) *Review by Authority.* — The financial plan and budget submitted by the Council under subparagraph (A) of this paragraph shall be subject to review by the Authority and revision by the Council in the same manner as the financial plan and budget submitted by the Council after an approved preliminary financial plan and budget of the Mayor under paragraphs (3), (4), (5), and (6) of subsection (c) of this section.

(e) *Revisions to financial plan and budget.* —

(1) *Permitting Mayor to submit revisions.* — The Mayor may submit proposed revisions to the financial plan and budget for a control year to the Authority at any time during the year.

(2) *Process for review, approval, disapproval, and Council action.* — Except as provided in paragraph (3) of this subsection, the procedures described in subsections (b), (c), and (d) of this section shall apply with respect to a proposed revision to a financial plan and budget in the same manner as such procedures apply with respect to the original financial plan and budget, except that subparagraph (B) of subsection (c)(1) (relating to deemed approval by the Authority of a preliminary financial plan and budget of the Mayor) shall be applied as if the reference to the term "30-day period" were a reference to "20-day period".

(3) *Exception for revisions not affecting appropriations.* — To the extent that a proposed revision to a financial plan and budget adopted by the Council pursuant to this subsection does not increase the amount of spending with

respect to any account of the District government, the revision shall become effective upon the Authority's approval of such revision (subject to review by Congress under § 1-206.02(c)).

(f) *Requirements for a Pay-as-you-go Capital Account.* —

(1) There is established a segregated, nonlapsing account within the Capital Fund to be designated as the Pay-as-you-go Capital Account.

(2) Beginning in fiscal year 2013, the annual proposed budget and financial plan submitted to the Council and the approved budget and financial plan submitted to the Congress of the United States shall include a Pay-as-you-go Capital Account for the upcoming fiscal year and each subsequent financial plan year.

(3) The annual amount of local funds deposited in the Pay-as-you-go Capital Account shall be equal to the projected local funds revenue of each year, minus the local funds revenue in the budget and financial plan approved May 24, 2011, multiplied by 25%.

(4) Funding under this subsection shall not be required if the debt service expenditures on all General Fund of the District of Columbia tax-supported debt equals or is less than 5% of General Fund of the District of Columbia expenditures.

(5)(A) All funds in the Pay-as-you-go Capital Account shall be used for the purpose of reducing future District borrowing for capital purposes by using the funds in the Pay-as-you-go Capital Account in lieu of proposed borrowing. Any use of these funds must be accompanied by the certification of the Chief Financial Officer that the funds are available in the Pay-as-you-go Capital Account and will be used to replace proposed District Bonds (as defined in § 47-443(2)(C)) that otherwise would have been issued for those purposes and that the District will not otherwise borrow such amounts for other purposes. Use of funds in the Pay-as-you-go Capital Account will reduce an identical amount in the existing Capital Improvements Program.

(B) For purposes of certification, including certification pursuant to the subchapter II of Chapter 3 of Title 47, the Chief Financial Officer shall certify that all expenditures from the Pay-as-you-go Capital Account, if treated as if they were expenditures from District Bond proceeds, assuming repayment at a level debt service with interest at the applicable rate obtained by the District in its most recent general obligation or income tax secured revenue bond offering, would not have caused the District to exceed the borrowing limitations contained in Subchapter II of Chapter 3 of Title 47.

(g) - (h) [Omitted].

(i) *Expedited submission and approval of consensus budget and financial plan.* — Notwithstanding any other provision of this section, if the Mayor, the Council, and the Authority jointly develop a financial plan and budget for the fiscal year which meets the requirements applicable under § 47-392.01 and which the Mayor, Council, and Authority certify reflects a consensus among them:

(1) Such financial plan and budget shall serve as the budget of the District government for the fiscal year adopted by the Council under § 1-204.46; and

(2) The Mayor shall transmit the financial plan and budget to the President and Congress under such section.



(j) *Reserve funds.* —

(1) *Budget reserve.* —

(A) *In general.* — For each of the fiscal years 2002 and 2003, the budget of the District government for the fiscal year shall contain a budget reserve in the following amounts:

(i) \$120,000,000, in the case of fiscal year 2002.

(ii) \$70,000,000, in the case of fiscal year 2003.

(B) *Availability of funds.* — Any amount made available from the budget reserve described in subparagraph (A) shall remain available until expended.

(C) *Availability of fiscal year 2001 budget reserve funds.* — For fiscal year 2001, any amount in the budget reserve shall remain available until expended.

(2) *Cumulative cash reserve.* — In addition to any other cash reserves required under section 450A of the District of Columbia Home Rule Act [§ 1-204.50a], for each of the fiscal years 2004 and 2005, the budget of the District government for the fiscal year shall contain a cumulative cash reserve of \$50,000,000.

(3) *Conditions on use.* — The District of Columbia may obligate or expend amounts in the budget reserve under paragraph (1) or the cumulative cash reserve under paragraph (2) only in accordance with the following conditions:

(A) The Chief Financial Officer of the District of Columbia shall certify that the amounts are available.

(B) The amounts shall be obligated or expended in accordance with laws enacted by the Council in support of each such obligation or expenditure.

(C) The amounts may not be used to fund the agencies of the District of Columbia government under court ordered receivership.

(D) The amounts may be obligated or expended only if the Mayor notifies the Committees on Appropriations of the House of Representatives and Senate in writing 30 days in advance of any obligation or expenditure.

(4) *Replenishment.* — Any amount of the budget reserve under paragraph (1) or the cumulative cash reserve under paragraph (2) which is expended in 1 fiscal year shall be replenished in the following fiscal year appropriations to maintain the required balance.

(j-1) *Fiscal Stabilization Reserve Account.* —

(1) The Chief Financial Officer shall create a segregated nonlapsing account within the cumulative General Fund of the District of Columbia (“General Fund”) balance to be designated the Fiscal Stabilization Reserve Account.

(2) The Fiscal Stabilization Reserve Account may be used by the Mayor for those purposes permitted for use of the Contingency Reserve Fund (except for cash flow management purposes) specified in § 1-204.50a(b)(4), as certified by the Chief Financial Officer, with approval of the Council by act.

(3) At full funding, the Fiscal Stabilization Reserve Account shall be equal to 2.34% of the District’s General Fund operating expenditures for each fiscal year.

(j-2) *Cash Flow Reserve Account.* —

(1) The Chief Financial Officer shall create a segregated nonlapsing account within the cumulative General Fund balance to be designated the Cash Flow Reserve Account.

(2) The Cash Flow Reserve Account may be used by the Chief Financial Officer to cover cash-flow needs; provided, that any amounts used must be replenished to the Cash Flow Reserve Account in the same fiscal year.

(3) At full funding, the Cash Flow Reserve Account shall be equal to 8.33% of the General Fund operating budget for each fiscal year.

(j-3) *Fund Balance Deposit Requirements.* — If either of the Fiscal Stabilization Reserve Account or the Cash Flow Reserve Account are below full funding, as specified in, respectively, subsections (j-1) and (j-2) of this section, immediately upon issue of the Comprehensive Annual Financial Report, the Chief Financial Officer shall deposit 50% of the undesignated end-of-year fund balance into each account, or 100% of the end-of-year fund balance into the remaining account that has not reached capacity, to fully fund these accounts to the extent that the undesignated end-of-year fund balance allows.

(j-4) If amounts required for the Emergency Cash Reserve Fund or the Contingency Reserve Fund pursuant to § 1-204.50a are reduced, the amount required to be deposited in Fiscal Stabilization Reserve Account shall be increased by a like amount.

(k) *Positive fund balance.* —

(1) *In general.* — The District of Columbia shall maintain at the end of a fiscal year an annual positive fund balance in the general fund of not less than 4 percent of the projected general fund expenditures for the following fiscal year.

(2) *Excess funds.* — Of funds remaining in excess of the amounts required by paragraph (1) of this subsection

(A) Not more than 50 percent may be used for authorized non-recurring expenses; and

(B) Not less than 50 percent shall be used to reduce the debt of the District of Columbia.

(Apr. 17, 1995, 109 Stat. 109, Pub. L. 104-8, § 202; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Aug. 5, 1997, 111 Stat. 779, Pub. L. 105-33, § 11603(b); Oct. 21, 1998, 112 Stat. 2681, Pub. L. 105-277, § 155; Apr. 20, 1999, D.C. Law 12-264, § 52(g), 46 DCR 2118; Nov. 29, 1999, 113 Stat. 1523, Pub. L. 106-113, § 148; Nov. 22, 2000, 114 Stat. 2440, Pub. L. 106-522, § 159(b); Dec. 21, 2001, 115 Stat. 923, Pub. L. 107-96, § 133(a); Mar. 25, 2009, D.C. Law 17-360, § 2(d), 56 DCR 1200; Mar. 3, 2010, D.C. Law 18-111, § 7211(c), 57 DCR 181; Sept. 24, 2010, D.C. Law 18-223, § 7162, 57 DCR 6242; Apr. 8, 2011, D.C. Law 18-370, § 792, 58 DCR 1008; Sept. 14, 2011, D.C. Law 19-21, § 7012(a)(3), 58 DCR 6226.)

**Section references.** — This section is referred to in §§ 2-301.05a, 10-1001.01, 47-392.03, 47-392.04, 47-392.06, 47-392.08, 47-392.22, and 47-393.

**Prior Codifications.** — 1981 Ed., § 47-392.2.

**Effect of amendments.** — Public Law 106-113 rewrote subsec. (j).

D.C. Law 17-360 added subsec. (j-1).

D.C. Law 18-111, in subsec. (j-1)(3)(A), substituted “that not less than \$25 million” for “that \$25 million”; and, in subsec. (j-1)(4), sub-



stituted "Cash Reserve, including the \$25 million specified in paragraph 3(A) of this subsection," for "Cash Reserve".

D.C. Law 18-223 rewrote subsecs. (f) and (j-1); and added subsecs. (j-2), (j-3), and (j-4).

D.C. Law 18-370, in subsec. (f)(3), substituted "December 7, 2010" for "May 26, 2010".

D.C. Law 19-21, in subsec. (f)(2), substituted "2013" for "2012"; and, in subsec. (f)(3), substituted "May 24, 2011" for "May 26, 2010".

**Temporary Addition of Section.** — For temporary (225 day) addition, see § 302 of Fiscal Year 2003 Budget Support Temporary Act of 2003 (D.C. Law 15-25, July 22, 2003, law notification 50 DCR 6095).

**Emergency legislation.** — For temporary (90-day) authorization of medical assistance expansion program, see § 2002 of the Service Improvement and Fiscal Year 2000 Budget Support Emergency Act of 1999 (D.C. Act 13-110, July 28, 1999, 46 DCR 6320).

For temporary (90 day) detail of expenditures, see §§ 2 to 4 of Use of the Reserve Funds Omnibus Emergency Act of 2002 (D.C. Act 14-360, April 30, 2002, 49 DCR 4724).

For temporary (90 day) detail of purpose of expenditures, see § 2 of Use of the Fiscal Year 2002 Reserve Funds Emergency Act of 2002 (D.C. Act 14-393, June 25, 2002, 49 DCR 6091).

For the temporary (90 day) reallocation of prior budgeted reserve funds, see § 302 of the Fiscal Year 2003 Budget Support Congressional Review Emergency Act of 2003 (D.C. Act 15-97, June 20, 2003, 50 DCR 5472).

For temporary (90 day) funding allocation for youth development strategy and public safety purposes, see § 401 of Crime Reduction Initiative Emergency Amendment Act of 2006 (D.C. Act 16-491, October 19, 2006, 53 DCR 8818).

For temporary (90 day) amendment of section, see § 7081(c) of Fiscal Year 2010 Budget Support Emergency Act of 2009 (D.C. Act 18-187, August 26, 2009, 56 DCR 7374).

For temporary (90 day) amendment of section 3a of D.C. Law 17-360, see § 7031 of Fiscal Year 2010 Budget Support Second Emergency Act of 2009 (D.C. Act 18-207, October 15, 2009, 56 DCR 8234).

For temporary (90 day) amendment of section, see § 7211(c) of Fiscal Year 2010 Budget Support Second Emergency Act of 2009 (D.C. Act 18-207, October 15, 2009, 56 DCR 8234).

For temporary (90 day) amendment of section 3a of D.C. Law 17-360, see § 7031 of Fiscal Year Budget Support Congressional Review Emergency Amendment Act of 2009 (D.C. Act 18-260, January 4, 2010, 57 DCR 345).

For temporary (90 day) amendment of section, see § 7211(c) of Fiscal Year Budget Support Congressional Review Emergency Amendment Act of 2009 (D.C. Act 18-260, January 4, 2010, 57 DCR 345).

For temporary (90 day) amendment of section, see § 7162 of Fiscal Year 2011 Budget Support Emergency Act of 2010 (D.C. Act 18-463, July 2, 2010, 57 DCR 6542).

For temporary (90 day) amendment of section, see § 791 of Fiscal Year 2011 Supplemental Budget Support Emergency Act of 2010 (D.C. Act 18-694, January 19, 2011, 58 DCR 662).

For temporary (90 day) amendment of section, see § 7012(a)(3) of Fiscal Year 2012 Budget Support Emergency Act of 2011 (D.C. Act 19-93, June 29, 2011, 58 DCR 5599).

For temporary (90 day) amendment of section, see § 8008 of Fiscal Year 2013 Budget Support Emergency Act of 2012 (D.C. Act 19-383, June 19, 2012, 59 DCR 7764).

For temporary (90 day) amendment of section, see § 8008 of Fiscal Year 2013 Budget Support Congressional Review Emergency Act of 2012 (D.C. Act 19-413, July 25, 2012, 59 DCR 9290).

**Legislative history of Law 12-264.** — Law 12-264, the "Technical Amendments Act of 1998," was introduced in Council and assigned Bill No. 12-804, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 10, 1998, and December 1, 1998, respectively. Signed by the Mayor on January 7, 1999, it was assigned Act No. 12-626 and transmitted to both Houses of Congress for its review. D.C. Law 12-264 became effective on April 20, 1999.

**Legislative history of Law 17-360.** — For Law 17-360, see notes following § 47-334.

**Legislative history of Law 18-111.** — For Law 18-111, see notes following § 47-305.02.

**Legislative history of Law 18-223.** — For Law 18-223, see notes following § 47-355.05.

**Legislative history of Law 18-370.** — For history of Law 18-370, see notes under § 47-143.

**Legislative history of Law 19-21.** — For history of Law 19-21, see notes under § 47-305.02.

**Short title.** — Short title: Section 7161 of D.C. Law 18-223 provided that subtitle Q of title VII of the act may be cited as the "Sustainable Capital Investment and Fund Balance Restoration Act of 2010".

Short title: Section 791 of D.C. Law 18-370 provided that subtitle J of title VII of the act may be cited as "Budget Support Act Technical Amendment Act of 2010 Emergency Amendment Act of 2010".

**Effective date.** — "(b) Effective date.—The amendment made by subsection (a) shall take effect October 1, 2001.

**References in text.** — Section 450A of the District of Columbia Home Rule Act, referred to in subsec. (j)(2), is Pub. L. 93-198, title IV, § 450A, which is classified to § 1-204.50a.

**Editor's notes.** — Section 794 of D.C. Law 18-370 provided: "Sec. 794. This subtitle shall apply as of January 3, 2011."

Section 133(b) and (c) of Pub. L. 107-96 provided:

"(c) Conforming amendments.—Section 159(c) of the District of Columbia Appropriations Act, 2001 (Public Law 106-522; 114 Stat. 2482) is amended to read as follows:

"(c) Effective Date. —

"(1) In general.—Except as provided in paragraph (2), this section and the amendments made by this section shall take effect on October 1, 2000.

"(2) Repeal of positive fund balance requirement.—The amendment made by subsection (b)(2) shall take effect October 1, 1999.

"(3) Transfer of funds.—All funds identified by the District government pursuant to section 148 of Public Law 106-113, as reflected in the certified annual financial report for fiscal year 2000, shall be deposited during fiscal year 2002 into the Emergency and Contingency Reserve Funds established pursuant to section 159 of Public Law 106-522, during fiscal year 2002."

Prior to the addition of (i) by Pub. L. 105-33, (e) was the last subsection of this section. Public Law 105-33 made no disposition with respect to (f), (g), and (h), so those subsections have been set out as "Omitted."

Application of § 11603(b) of Pub. L. 105-33: Section 11603(c) of title XI of Pub. L. 105-33, 111 Stat. 779, the National Capital Revitalization and Self-Government Improvement Act of 1997, provided that the amendment made by § 11603(b) shall apply with respect to fiscal years beginning with fiscal year 1998.

Section 2002 of D.C. Law 13-38 provided:

"(a) Pursuant to section 155 of the District of Columbia Appropriations Act, 1999, approved October 21, 1998 (Pub. L. No. 105-277; 112 Stat. 2681 171 ), the District shall have a reserve in the amount of \$150 million ('Reserve').

"(b) The criteria for spending from this Reserve are to ensure budget balance in case of a shortfall in revenue, or to provide flexibility to fund such expenditures as nonrecurring initiatives that support sustainable and measurable increases in revenues through enhanced service delivery, that reduce costs, that are unforeseen demands on District spending, or that constitute an investment in fostering the District's economic well-being. The District shall spend the funds from the Reserve in such a way that an appropriate balance is available in the 1st, 2nd, and 3rd quarters to ensure balance between revenues and expenditures at year end. Under no circumstances should the budgeted Reserve serve to provide resources to agencies to allow them to overspend their budget.

"(c) In accordance with the criteria set forth in subsection (b) of this section, funds from the Reserve shall be applied in the following order:

"(1) To ensure budget balance in case of a shortfall in revenue;

"(2) To expenditures that are identified in subsection (d) of this section;

"(3) To expenditures that reduce the District's long-term debt; and

"(4) To other expenditures that meet the criteria set forth in subsection (b) of this section.

"(d) The following expenditures shall be funded from the reserve in Fiscal Year 2000:

"(1) \$60,000 to the Council, to hire an independent consultant to negotiate a contract between the District and the Health and Hospitals Public Benefit Corporation for services for uninsured residents;

"(2) \$1,000,000 to the Office of the Mayor, to fund one-time program enhancements;

"(3) \$4,100,000 to the Office of the City Administrator, including \$1 million in one-time program enhancements and \$3.1 million for non-personal services expenditures, to support planning for managed competition, including activity-based costing;

"(4) \$3,700,000 to the Department of Employment Services, to fund youth-related programs;

"(5) \$5,833,000 to the Department of Consumer and Regulatory Affairs, to fund one-time neighborhood stabilization programs;

"(6) \$850,000 to the Department of Corrections, to fund one-time funding for a physical plant;

"(7) \$18,000,000 to District of Columbia Public Schools, to fund selected special education placements and the LaShawn Receivership;

"(8) \$3,000,000 to the University of the District of Columbia, to fund one-time technology enhancements;

"(9) \$1,227,000 to the Public Library, to fund one-time non-personal service increases;

"(10) \$1,246,000 to the Department of Human Services, to fund one-time expenditures;

"(11) \$996,000 to the Department of Health, to fund one-time expenditures;

"(12) \$15,000,000 to the Children and Youth Initiative, to fund one-time program enhancements;

"(13) \$5,257,000 to the LaShawn Receiver, including \$3,100,000 to fund one-time youth programs, and \$2,157,000 to bring it to full funding;

"(14) \$1,000,000 to the Mental Health Receiver, to fund one-time expenditures;

"(15) \$11,540,000 to the Department of Public Works, to fund one-time program enhancements;

"(16) \$1,542,000 to the Department of Motor Vehicles, to fund one-time motor vehicle information system enhancements; and



“(17) \$16,050,000 to the Tobacco Settlement Trust Fund, reflecting a transfer to create the Trust Fund.”

Section 3a of D.C. Law 17-360, as added by section 7031 of D.C. Law 18-111, provided:

“Sec. 3a. Applicability.

“Section 2(d) of D.C. Law 17-360 shall take effect subject to the inclusion of its fiscal effect in an approved budget and financial plan.”.

### **§ 47-392.03. Review of activities of district government to ensure compliance with approved financial plan and budget.**

(a) *Review of Council acts.* —

(1) *Submission of acts to Authority.* — The Council shall submit to the Authority each act passed by the Council and signed by the Mayor during a control year or vetoed by the Mayor and repassed by two-thirds of the Council present and voting during a control year, and each act passed by the Council and allowed to become effective without the Mayor’s signature during a control year, together with the estimate of costs accompanying such act required under § 1-206.02(c)(3).

(2) *Prompt review by Authority.* — Upon receipt of an act from the Council under paragraph (1) of this subsection, the Authority shall promptly review the act to determine whether it is consistent with the applicable financial plan and budget approved under this part and with the estimate of costs accompanying the act (described in paragraph (1) of this subsection).

(3) *Actions by Authority.* —

(A) *Approval.* — If the Authority determines that an act is consistent with the applicable financial plan and budget, the Authority shall notify the Council that it approves the act, and the Council shall submit the act to Congress for review in accordance with § 1-206.02(c).

(B) *Finding of inconsistency.* — If the Authority determines that an act is significantly inconsistent with the applicable financial plan and budget, the Authority shall:

(i) Notify the Council of its finding;

(ii) Provide the Council with an explanation of the reasons for its finding; and

(iii) To the extent the Authority considers appropriate, provide the Council with recommendations for modifications to the act.

(C) [Repealed].

(4) *Effect of finding.* — If the Authority makes a finding with respect to an act under paragraph (3)(B) of this subsection, the Council may not submit the act to Congress for review in accordance with § 1-206.02(c).

(5) *Deemed approval.* — If the Authority does not notify the Council that it approves or disapproves an act submitted under this subsection during the 7-day period (excluding Saturdays, Sundays, and legal holidays) which begins on the first day (excluding Saturdays, Sundays, and legal holidays) after the Authority receives the act from the Council, the Authority shall be deemed to have approved the act in accordance with paragraph (3)(A) of this subsection. At the option of the Authority, the previous sentence shall be applied as if the reference to “7-day period” were a reference to “14-day period” if during such 7-day period the Authority so notifies the Council and the Mayor.

(6) *Preliminary review of proposed acts.* — At the request of the Council, the Authority may conduct a preliminary review of proposed legislation before the Council to determine whether the legislation as proposed would be consistent with the applicable financial plan and budget approved under this part, except that any such preliminary review shall not be binding on the Authority in reviewing any act subsequently submitted under this subsection.

(b) *Effect of approved financial plan and budget on contracts and leases.* —

(1) *Mandatory prior approval for certain contracts and leases.* —

(A) *In general.* — In the case of a contract or lease described in subparagraph (B) of this paragraph, which is proposed to be entered into by the District government during a control year, the Mayor (or the appropriate officer or agent of the District government) shall submit the proposed contract or lease to the Authority. The Authority shall review each contract or lease submitted under this subparagraph, and the Mayor (or the appropriate officer or agent of the District government) may not enter into the contract or lease unless the Authority determines that the proposed contract or lease is consistent with the financial plan and budget for the fiscal year.

(B) *Contracts and leases described.* — A contract or lease described in this subparagraph is:

(i) A labor contract entered into through collective bargaining; or

(ii) Such other type of contract or lease as the Authority may specify for purposes of this subparagraph.

(2) *Authority to review other contracts and leases after execution.* —

(A) *In general.* — In addition to the prior approval of certain contracts and leases under paragraph (1) of this subsection, the Authority may require the Mayor (or the appropriate officer or agent of the District government) to submit to the Authority any other contract (including a contract to carry out a grant) or lease entered into by the District government during a control year which is executed after the Authority has approved the financial plan and budget for the year under § 47-392.02(c) or (d), or any proposal of the District government to renew, extend, or modify a contract or lease during a control year which is made after the Authority has approved such financial plan and budget.

(B) *Review by Authority.* — The Authority shall review each contract or lease submitted under subparagraph (A) of this paragraph to determine if the contract or lease is consistent with the financial plan and budget for the fiscal year. If the Authority determines that the contract or lease is not consistent with the financial plan and budget, the Mayor shall take such actions as are within the Mayor's powers to revise the contract or lease, or shall submit a proposed revision to the financial plan and budget in accordance with § 47-392.02, so that the contract or lease will be consistent with the financial plan and budget.

(3) *Special rule for fiscal year 1995.* — The Authority may require the Mayor to submit to the Authority any proposal to renew, extend, or modify a contract or lease in effect during fiscal year 1995 to determine if the renewal, extension, or modification is consistent with the budget for the District of Columbia under the District of Columbia Appropriations Act, 1995.



(4) *Special rule for contracts subject to Council approval.* — In the case of a contract or lease which is required to be submitted to the Authority under this subsection and which is subject to approval by the Council under the laws of the District of Columbia, the Mayor shall submit such contract or lease to the Authority only after the Council has approved the contract or lease.

(5) *Application to rules and regulations.* — The provisions of this subsection shall apply with respect to a rule or regulation issued or proposed to be issued by the Mayor (or the head of any department or agency of the District government) in the same manner as such provisions apply to a contract or lease.

(c) *Restrictions on reprogramming of amounts in budget during control years.* —

(1) *Submissions of requests to Authority.* — If the Mayor submits a request to the Council for the reprogramming of any amounts provided in a budget for a fiscal year which is a control year after the budget is adopted by the Council, the Mayor shall submit such request to the Authority, which shall analyze the effect of the proposed reprogramming on the financial plan and budget for the fiscal year and submit its analysis to the Council not later than 15 days after receiving the request.

(2) *No action permitted until analysis received.* — The Council may not adopt a reprogramming during a fiscal year which is a control year, and no officer or employee of the District government may carry out any reprogramming during such a year, until the Authority has provided the Council with an analysis of a request for the reprogramming in accordance with paragraph (1) of this subsection.

(Apr. 17, 1995, 109 Stat. 116, Pub. L. 104-8, § 203; Apr. 26, 1996, 110 Stat. 1321 224, Pub. L. 104-134, § 153(d); Sept. 30, 1996, 110 Stat. 3009 1455, Pub. L. 104-208, §§ 5203(a), (d); enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in §§ 38-1701.01, 47-363, and 47-392.22.

**Prior Codifications.** — 1981 Ed., § 47-392.3.

**References in text.** — “The District of Columbia Appropriations Act, 1995,” referred to in subsection (b)(3) is 108 Stat. 2585, Pub. L. 103-334, approved September 30, 1994.

## § 47-392.04. Restrictions on borrowing by District during control year.

(a) *Prior approval required.* —

(1) *In general.* — The District government may not borrow money during a control year unless the Authority provides prior certification that both the receipt of funds through such borrowing and the repayment of obligations incurred through such borrowing are consistent with the financial plan and budget for the year.

(2) *Revisions to financial plan and budget permitted.* — If the Authority determines that the borrowing proposed to be undertaken by the District government is not consistent with the financial plan and budget, the Mayor

may submit to the Authority a proposed revision to the financial plan and budget in accordance with § 47-392.02(e) so that the borrowing will be consistent with the financial plan and budget as so revised.

(3) *Borrowing described.* — This subsection shall apply with respect to any borrowing undertaken by the District government, including borrowing through the issuance of bonds under part E of title IV of the District of Columbia Home Rule Act [§§ 1-204.61 through 1-204.90], the exercise of authority to obtain funds from the United States Treasury under title VI of the District of Columbia Revenue Act of 1939 (§§ 47-3401 through 47-3401.04), or any other means.

(4) *Special rules for treasury borrowing during fiscal year 1995.* —

(A) *No prior approval required during initial period following appointment.* — The District government may requisition advances from the United States Treasury under title VI of the District of Columbia Revenue Act of 1939 (§§ 47-3401 through 47-3401.04) without the prior approval of the Authority during the 45-day period which begins on the date of the appointment of the members of the Authority (subject to the restrictions described in such title, as amended by subsection (c) of this section).

(B) *Criteria for approval during remainder of fiscal year.* — The District government may requisition advances described in subparagraph (A) of this paragraph during the portion of fiscal year 1995 occurring after the expiration of the 45-day period described in such subparagraph if the Authority finds that:

(i) Such borrowing is appropriate to meet the needs of the District government to reduce deficits and discharge payment obligations; and

(ii) The District government is making appropriate progress toward meeting its responsibilities under this Act (and the amendments made by this Act).

(b) *Deposit of funds obtained through treasury with Authority.* —

(1) *Automatic deposit during control year.* — If the Mayor requisitions funds from the Secretary of the Treasury pursuant to title VI of the District of Columbia Revenue Act of 1939 (§§ 47-3401 through 47-3401.04) during a control year (beginning with Fiscal Year 1996), such funds shall be deposited by the Secretary into an escrow account held by the Authority, to be used as follows:

(A) The Authority shall expend a portion of the funds for its operations during the fiscal year in which the funds are requisitioned, in such amount and under such conditions as are established under the budget of the Authority for the fiscal year under § 47-391.06(a).

(B) The Authority shall allocate the remainder of such funds to the Mayor at such intervals and in accordance with such terms and conditions as it considers appropriate, consistent with the financial plan and budget for the year and with any other withholding of funds by the Authority pursuant to this Act.

(2) *Optional deposit during fiscal year 1995.* —

(A) *During initial period following appointment.* — If the Mayor requisitions funds described in paragraph (1) of this subsection during the 45-day period which begins on the date of the appointment of the members of the



Authority, the Secretary of the Treasury shall notify the Authority, and at the request of the Authority shall deposit such funds into an escrow account held by the Authority in accordance with paragraph (1) of this subsection.

(B) *During remainder of fiscal year.* — If the Mayor requisitions funds described in paragraph (1) of this subsection during the portion of fiscal year 1995 occurring after the expiration of the 45-day period described in subparagraph (A) of this paragraph, the Secretary of the Treasury shall deposit such funds into an escrow account held by the Authority in accordance with paragraph (1) of this subsection at the request of the Authority.

(c) [Reserved].

(d) *Deposit of borrowed funds with authority.* — If the District government borrows funds during a control year, the funds shall be deposited into an escrow account held by the Authority, to be allocated by the Authority to the Mayor at such intervals and in accordance with such terms and conditions as it considers appropriate, consistent with the financial plan and budget for the year and with any other withholding of funds by the Authority pursuant to this Act.

(e) *Expenditure of funds from account in accordance with authority instructions.* — Any funds allocated by the Authority to the Mayor from the escrow account described in subsection (b)(1) of this section or the escrow amount described in subsection (d) of this section may be expended by the Mayor only in accordance with the terms and conditions established by the Authority at the time the funds are allocated.

(f) *Prohibition against borrowing while suit pending.* — The Mayor may not requisition advances from the Treasury pursuant to §§ 47-3401 through 47-3401.04 if there is an action filed by the Mayor or the Council which is pending against the Authority challenging the establishment of or any action taken by the Authority.

(Apr. 17, 1995, 109 Stat. 119, Pub. L. 104-8, § 204; Sept. 30, 1996, 110 Stat. 3009 1456, 1457, Pub. L. 104-208, § 5203(e)(1), (e)(2)(A); enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Cross references.** — Secretary of the Treasury, intermediate-term advances for liquidation of deficit, see § 47-3401.01.

Secretary of the Treasury, provision for short-term advances to District government, see § 47-3401.

Secretary of the Treasury, short-term advances for seasonal cash-flow management, see § 47-3401.02.

**Section references.** — This section is re-

ferred to in §§ 1-204.90, 7-1831.03, 47-391.06, 47-392.06, and 47-392.22.

**Prior Codifications.** — 1981 Ed., § 47-392.4.

**References in text.** — “This Act,” referred to in subsections (a)(4)(B)(ii) and (b), is the District of Columbia financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995, 109 Stat. 97, Pub. L. 104-8.

## § 47-392.05. Deposit of annual federal contribution with Authority.

(a) *In general.* —

(1) *Deposit into escrow account.* — In the case of a fiscal year which is a control year, the Secretary of the Treasury shall deposit any Federal contribution to the District of Columbia for the year authorized under § 47-3406.02(b)

into an escrow account held by the Authority, which shall allocate the funds to the Mayor at such intervals and in accordance with such terms and conditions as it considers appropriate to implement the financial plan for the year. In establishing such terms and conditions, the Authority shall give priority to using the Federal contribution for cash flow management and the payment of outstanding bills owed by the District government.

(2) *Exception for amounts withheld for advances.* — Paragraph (1) of this subsection shall not apply with respect to any portion of the Federal contribution which is withheld by the Secretary of the Treasury in accordance with § 47-3401.03(b)(2) to reimburse the Secretary for advances made under §§ 47-3401 to 47-3401.04(b)(1).

(b) *Expenditure of funds from account in accordance with Authority instructions.* — Any funds allocated by the Authority to the Mayor from the escrow account described in subsection (a)(1) of this section may be expended by the Mayor only in accordance with the terms and conditions established by the Authority at the time the funds are allocated.

(Apr. 17, 1995, 109 Stat. 131, Pub. L. 104-8, § 205; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Aug. 5, 1997, 111 Stat. 777, Pub. L. 105-33, § 11601(b)(2)(A); Nov. 19, 1997, 111 Stat. 2186, Pub. L. 105-100, § 157(a)(1); Apr. 20, 1999, D.C. Law 12-264, § 52(h), 46 DCR 2118.)

**Cross references.** — Security for advances, requirements, see § 47-3401.03.

**Section references.** — This section is referred to in §§ 47-392.06 and 47-392.22.

**Prior Codifications.** — 1981 Ed., § 47-392.5.

**Legislative history of Law 12-264.** — For legislative history of D.C. Law 12-264, see Historical and Statutory Notes following § 47-392.02.

**Effective date.** — Section 157(a)(3) of Pub. L. 105-100, 111 Stat. 2186, the District of Columbia Appropriations Act, 1998, provided that

the amendments made by § 157(a) shall take effect as if included in the enactment of Pub. L. 105-33, 111 Stat. 251, the Balanced Budget Act of 1997.

**Editor's notes.** — Section 11601(b)(2)(A) of Pub. L. 105-33, 111 Stat. 777, the Balanced Budget Act of 1997, repealed this section. However, § 157(a)(1) of Pub. L. 105-100, 111 Stat. 2160, the District of Columbia Appropriations Act, 1998, reenacted and amended this section, effective as if included in the enactment of Pub. L. 105-33.

## § 47-392.06. Effect of finding of non-compliance with financial plan and budget.

(a) *Submission of reports.* — Not later than 30 days after the expiration of each quarter of each fiscal year (beginning with Fiscal Year 1996), the Mayor shall submit reports to the Authority describing the actual revenues obtained and expenditures made by the District government during the quarter with its cash flows during the quarter, and comparing such actual revenues, expenditures, and cash flows with the most recent projections for these items.

(b) *Demand for additional information.* — If the Authority determines, based on reports submitted by the Mayor under subsection (a) of this section, independent audits, or such other information as the Authority may obtain, that the revenues or expenditures of the District government during a control year are not consistent with the financial plan and budget for the year, the Authority shall require the Mayor to provide such additional information as the Authority determines to be necessary to explain the inconsistency.



(c) *Certification of variance.* —

(1) *In general.* — After requiring the Mayor to provide additional information under subsection (b) of this section, the Authority shall certify to the Council, the President, the Secretary of the Treasury, and Congress that the District government is at variance with the financial plan and budget unless:

(A)(i) The additional information provides an explanation for the inconsistency which the Authority finds reasonable and appropriate; or

(ii) The District government adopts or implements remedial action (including revising the financial plan and budget pursuant to § 47-392.02(e)) to correct the inconsistency which the Authority finds reasonable and appropriate, taking into account the terms of the financial plan and budget; and

(B) The Mayor agrees to submit the reports described in subsection (a) of this section on a monthly basis for such period as the Authority may require.

(2) *Special rule for inconsistencies attributable to acts of Congress.* —

(A) *Determination by Authority.* — If the Authority determines that the revenues or expenditures of the District government during a control year are not consistent with the financial plan and budget for the year as approved by the Authority under § 47-392.02 as a result of the terms and conditions of the budget of the District government for the year as enacted by Congress or as a result of any other law enacted by Congress which affects the District of Columbia, the Authority shall so notify the Mayor.

(B) *Certification.* — In the case of an inconsistency described in subparagraph (A) of this paragraph, the Authority shall certify to the Council, the President, the Secretary of the Treasury, and Congress that the District government is at variance with the financial plan and budget unless the District government adopts or implements remedial action (including revising the financial plan and budget pursuant to § 47-392.02(e)) to correct the inconsistency which the Authority finds reasonable and appropriate, taking into account the terms of the financial plan and budget.

(d) *Effect of certification.* — If the Authority certifies to the Secretary of the Treasury that a variance exists:

(1) The Authority may withhold any funds deposited with the Authority under § 47-392.04(b), § 47-392.04(d) or § 47-392.05(a) which would otherwise be expended on behalf of the District government; and

(2) The Secretary shall withhold funds otherwise payable to the District of Columbia under such federal programs as the Authority may specify (other than funds dedicated to making entitlement or benefit payments to individuals), in such amounts and under such other conditions as the Authority may specify.

(Apr. 17, 1995, 109 Stat. 131, Pub. L. 104-8, § 206; Sept. 30, 1996, 110 Stat. 3009 1457, Pub. L. 104-208, § 5203(e)(2)(B); enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-392.22.

**Prior Codifications.** — 1981 Ed., § 47-392.6.

**§ 47-392.07. Recommendations on financial stability and management responsibility.**

(a) *In general.* — The Authority may at any time submit recommendations to the Mayor, the Council, the President, and Congress on actions the District government or the Federal Government may take to ensure compliance by the District government with a financial plan and budget or to otherwise promote the financial stability, management responsibility, and service delivery efficiency of the District government, including recommendations relating to:

(1) The management of the District government's financial affairs, including cash forecasting, information technology, placing controls on expenditures for personnel, reducing benefit costs, reforming procurement practices, and placing other controls on expenditures;

(2) The relationship between the District government and the Federal Government;

(3) The structural relationship of departments, agencies, and independent agencies within the District government;

(4) The modification of existing revenue structures, or the establishment of additional revenue structures;

(5) The establishment of alternatives for meeting obligations to pay for the pensions of former District government employees;

(6) Modifications or transfers of the types of services which are the responsibility of and are delivered by the District government;

(7) Modifications of the types of services which are delivered by entities other than the District government under alternative service delivery mechanisms (including privatization and commercialization);

(8) The effects of District of Columbia laws and court orders on the operations of the District government;

(9) The establishment of a personnel system for employees of the District government which is based upon employee performance standards; and

(10) The improvement of personnel training and proficiency, the adjustment of staffing levels, and the improvement of training and performance of management and supervisory personnel.

(b) *Response to recommendations for actions within authority of District government.* —

(1) *In general.* — In the case of any recommendations submitted under subsection (a) of this section during a control year which are within the Authority of the District government to adopt, not later than 90 days after receiving the recommendations, the Mayor or the Council (whichever has the Authority to adopt the recommendation) shall submit a statement to the Authority, the President, and Congress which provides notice as to whether the District government will adopt the recommendations.

(2) *Implementation plan required for adopted recommendations.* — If the Mayor or the Council (whichever is applicable) notifies the Authority and Congress under paragraph (1) of this subsection that the District government will adopt any of the recommendations submitted under subsection (a) of this section, the Mayor or the Council (whichever is applicable) shall include in the statement a written plan to implement the recommendation which includes:



(A) Specific performance measures to determine the extent to which the District government has adopted the recommendation; and

(B) A schedule for auditing the District government's compliance with the plan.

(3) *Explanations required for recommendations not adopted.* — If the Mayor or the Council (whichever is applicable) notifies the Authority, the President, and Congress under paragraph (1) of this subsection that the District government will not adopt any recommendation submitted under subsection (a) of this section which the District government has authority to adopt, the Mayor or the Council shall include in the statement explanations for the rejection of the recommendations.

(c) *Implementation of rejected recommendations by Authority.* —

(1) *In general.* — If the Mayor or the Council (whichever is applicable) notifies the Authority, the President, and Congress under subsection (b)(1) of this section that the District government will not adopt any recommendation submitted under subsection (a) of this section which the District government has authority to adopt, the Authority may by a majority vote of its members take such action concerning the recommendation as it deems appropriate, after consulting with the Committee on Government Reform and Oversight of the House of Representatives and the Committee on Governmental Affairs of the Senate.

(2) *Effective date.* — This subsection shall apply with respect to recommendations of the Authority made after the expiration of the 6-month period which begins April 17, 1995.

(d) *Additional power to issue orders, rules, and regulations.* —

(1) *In general.* — In addition to the authority described in subsection (c) of this section, the Authority may at any time issue such orders, rules, or regulations as it considers appropriate to carry out the purposes of this Act and the amendments made by this Act, to the extent that the issuance of such an order, rule, or regulation is within the authority of the Mayor or the head of any department or agency of the District government, and any such order, rule, or regulation shall be legally binding to the same extent as if issued by the Mayor or the head of any such department or agency.

(2) *Notification.* — Upon issuing an order, rule, or regulation pursuant to this subsection, the Authority shall notify the Mayor, the Council, the President, and Congress.

(3) *No judicial review of decision to issue order.* — The decision by the Authority to issue an order, rule, or regulation pursuant to this subsection shall be final and shall not be subject to judicial review.

(Apr. 17, 1995, 109 Stat. 133, Pub. L. 104-8, § 207; Sept. 30, 1996, 110 Stat. 3009 1457, Pub. L. 104-208, § 5203(f); enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in §§ 47-391.01, 47-392.22, and 47-395.

**Prior Codifications.** — 1981 Ed., § 47-392.7.

**References in text.** — “This Act,” referred to in subsection (d)(1), is the District of Columbia Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995, 109 Stat. 97, Pub. L. 104-8.

**Editor's notes.** — Council Response to the District of Columbia Financial Responsibility and Management Assistance Authority Regulatory Reform Section 207 Recommendations Emergency Resolution of 1998: Pursuant to Resolution 12-673, effective August 24, 1998,

the Council responded, on an emergency basis, to the regulatory reform section 207 recommendations made by the District of Columbia Financial Responsibility and Management Assistance Authority.

## § 47-392.08. Special rules for Fiscal Year 1996.

(a) *Adoption of transition budget.* — Notwithstanding any provision of § 47-392.02 to the contrary, in the case of Fiscal Year 1996, the following rules shall apply:

(1) Not later than 45 days after the appointment of its members, the Authority shall review the proposed budget for the District of Columbia for such fiscal year submitted to Congress under § 1-204.46 (taking into account any items or provisions disapproved by the Mayor or disapproved by the Mayor and reenacted by the Council under § 1-204.04(f) and the multiyear plan for the District of Columbia prepared pursuant to § 1-204.43, and shall submit any recommendations for modifications to such financial plan and budget to promote the financial stability of the District government to the Mayor, the Council, the President, and Congress.

(2) Not later than 15 days after receiving the recommendations of the Authority submitted under paragraph (1) of this subsection, the Council (in consultation with the Mayor) shall promptly adopt a revised budget for the fiscal year (in this section referred to as the “transition budget”), and shall submit the transition budget to the Authority, the President, and Congress.

(3) Not later than 15 days after receiving the transition budget from the Council under paragraph (2) of this subsection, the Authority shall submit a report to the Mayor, the Council, the President, and Congress analyzing the budget (taking into account any items or provisions disapproved by the Mayor or disapproved by the Mayor and reenacted by the Council under § 1-204.04(f), and shall include in the report such recommendations for revisions to the transition budget as the Authority considers appropriate to promote the financial stability of the District government during the fiscal year.

(b) *Financial plan and budget.* —

(1) *Deadline for submission.* — For purposes of § 47-392.02, the Mayor shall submit the financial plan and budget for Fiscal Year 1996 as soon as practicable after April 17, 1995 (in accordance with guidelines established by the Authority).

(2) *Adoption by Council.* — In accordance with the procedures applicable under § 47-392.02 (including procedures providing for review by the Authority):

(A) The Council shall adopt the financial plan and budget for the fiscal year (including the supplemental budget incorporated in the financial plan and budget) prior to the submission by the Mayor of the financial plan and budget for Fiscal Year 1997 under § 47-392.02(a); and

(B) The financial plan and budget adopted by the Council (and, in the case of a financial plan and budget disapproved by the Authority, together with the financial plan and budget approved and recommended by the Authority)



shall be submitted to Congress (in accordance with the procedures applicable under such section) as a supplemental budget request for Fiscal Year 1996 (in accordance with § 1-204.46).

(3) *Transition budget as temporary financial plan and budget.* — Until the approval of the financial plan and budget for Fiscal Year 1996 by the Authority under this subsection, the transition budget established under subsection (a) of this section (as enacted by Congress) shall serve as the financial plan and budget adopted under this part for purposes of this Act (and any provision of law amended by this Act) for Fiscal Year 1996.

(c) *Restrictions on advances from treasury.* —

(1) *Monthly determination of progress toward financial plan and budget.* — During each month of Fiscal Year 1996 prior to the adoption of the financial plan and budget, the Authority shall determine whether the District government is making appropriate progress in preparing and adopting a financial plan and budget for the fiscal year under this part.

(2) *Certification.* — The Authority shall provide the President and Congress with a certification if the Authority finds that the District government is not making appropriate progress in developing the financial plan and budget for a month, and shall notify the President and Congress that the certification is no longer in effect if the Authority finds that the District government is making such progress after the certification is provided.

(3) *Prohibition against allocation of advances if certification in effect.* — At any time during which a certification under paragraph (2) of this subsection is in effect, the Authority may not allocate any funds obtained through advances to the Mayor under §§ 47-3401 through 47-3401.04 from the escrow account in which the funds are held.

(Apr. 17, 1995, 109 Stat. 134, Pub. L. 104-8, § 208; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-392.22.

**Prior Codifications.** — 1981 Ed., § 47-392.8.

**References in text.** — “This Act,” referred

to in subsection (b)(3), is the District of Columbia Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995, 109 Stat. 97, Pub. L. 104-8.

## § 47-392.09. Control periods described.

(a) *Initiation.* — For purposes of this Act, a “control period” is initiated upon the occurrence of any of the following events (as determined by the Authority based upon information obtained through the Mayor, the Inspector General of the District of Columbia, or such other sources as the Authority considers appropriate):

(1) The requisitioning by the Mayor of advances from the Treasury of the United States under title VI of the District of Columbia Revenue Act of 1939 (§§ 47-3401 through 47-3401.04), or the existence of any unreimbursed amounts obtained pursuant to such authority;

(2) The failure of the District government to provide sufficient revenue to a debt service reserve fund of the Authority under part C of this subchapter;

(3) The default by the District government with respect to any loans, bonds, notes, or other form of borrowing;

(4) The failure of the District government to meet its payroll for any pay period;

(5) The existence of a cash deficit of the District government at the end of any quarter of the fiscal year in excess of the difference between the estimated revenues of the District government and the estimated expenditures of the District government (including repayments of temporary borrowings) during the remainder of the fiscal year or the remainder of the fiscal year together with the first 6 months of the succeeding fiscal year (as determined by the Authority in consultation with the Chief Financial Officer of the District of Columbia);

(6) The failure of the District government to make required payments relating to pensions and benefits for current and former employees of the District government; or

(7) The failure of the District government to make required payments to any entity established under an interstate compact to which the District of Columbia is a signatory.

(b) *Termination.* —

(1) *In general.* — A control period terminates upon the certification by the Authority that:

(A) The District government has adequate access to both short-term and long-term credit markets at reasonable interest rates to meet its borrowing needs; and

(B) For 4 consecutive fiscal years (occurring after April 17, 1995) the expenditures made by the District government during each of the years did not exceed the revenues of the District government during such years (as determined in accordance with generally accepted accounting principles, as contained in the comprehensive annual financial report for the District of Columbia under § 1-204.48(a)(4)).

(2) *Consultation with Inspector General.* — In making the determination under this subsection, the Authority shall consult with the Inspector General of the District of Columbia.

(c) *Control period deemed to exist upon enactment.* — For purposes of this part, a control period is deemed to exist beginning April 17, 1995.

(Apr. 17, 1995, 109 Stat. 136, Pub. L. 104-8, § 209; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Cross references.** — National capital revitalization corporation, evaluation, submission of reports, see § 1-1219.13.

**Section references.** — This section is referred to in §§ 1-204.90, 7-1831.03, 47-391.07, 47-392.21, 47-392.22, and 47

**Prior Codifications.** — 1981 Ed., § 47-392.9.

**References in text.** — “This Act,” referred to in the introductory language of (a), is the District of Columbia Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995, 109 Stat. 97, Pub. L. 104-8.



## § 47-392.10. [Reserved].

## PART C.

## ISSUANCE OF BONDS.

## § 47-392.11. Authority to issue bonds.

(a) *In general.* —

(1) *Request of Mayor.* — Subject to the requirements of this part, the Authority may at the request of the Mayor pursuant to an act of the Council issue bonds, notes, or other obligations to borrow funds to obtain funds for the use of the District government, in such amounts and in such manner as the Authority considers appropriate.

(2) *Special rule for instrumentalities with independent borrowing authority.* — In the case of an agency or instrumentality of the District government which under law has the authority to issue bonds, notes, or obligations to borrow funds without the enactment of an act of the Council, the Authority may issue bonds, notes, or other obligations to borrow funds for the use or functions of such agency or instrumentality at the request of the head of the agency or instrumentality.

(b) *Deposit of funds obtained through borrowing with Authority.* — Any funds obtained by the District government through borrowing by the Authority pursuant to this part shall be deposited into an escrow account held by the Authority, which shall allocate such funds to the District government in such amounts and at such times as the Authority considers appropriate, consistent with the specified purposes of such funds and the applicable financial plan and budget under part B of this subchapter.

(c) *Use of funds obtained through bonds.* — Any funds obtained through the issuance of bonds, notes, or other obligations pursuant to this part may be used for any purpose (consistent with the applicable financial plan and budget) under part B of this subchapter for which the District government may use borrowed funds under the District of Columbia Home Rule Act and for any other purpose which the Authority considers appropriate.

(Apr. 17, 1995, 109 Stat. 137, Pub. L. 104-8, § 211; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-392.22.

**Prior Codifications.** — 1981 Ed., § 47-392.11.

**References in text.** — “The District of Columbia Home Rule Act,” referred to in (c), is Pub. L. 93-198, 87 Stat. 774, approved December 24, 1973.

## § 47-392.12. Pledge of security interest in revenues of District government.

(a) *In general.* — The Authority may pledge or grant a security interest in

revenues to individuals or entities purchasing bonds, notes, or other obligations issued pursuant to this part.

(b) *Dedication of revenue stream from District government.* — The Authority shall require the Mayor:

(1) To pledge or direct taxes or other revenues otherwise payable to the District government (which are not otherwise pledged or committed), including payments from the Federal Government, to the Authority for purposes of securing repayment of bonds, notes, or other obligations issued pursuant to this part; and

(2) To transfer the proceeds of any tax levied for purposes of securing such bonds, notes, or other obligations to the Authority immediately upon collection.

(Apr. 17, 1995, 109 Stat. 137, Pub. L. 104-8, § 212; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-392.22.

**Prior Codifications.** — 1981 Ed., § 47-392.12.

### § 47-392.13. Establishment of debt service reserve fund.

(a) *In general.* — As a condition for the issuance of bonds, notes, or other obligations pursuant to this part, the Authority shall establish a debt service reserve fund in accordance with this section.

(b) *Requirements for fund.* —

(1) *Fund described.* — A debt service reserve fund established by the Authority pursuant to this subsection shall consist of such funds as the Authority may make available, and shall be a trust fund held for the benefit and security of the obligees of the Authority whose bonds, notes, or other obligations are secured by such fund.

(2) *Use of funds.* — Amounts in a debt service reserve fund may be used solely for the payment of the principal of bonds secured in whole or in part by such fund, the purchase or redemption of such bonds, the payment of interest on such bonds, or the payment of any redemption premium required to be paid when such bonds and notes are redeemed prior to maturity.

(3) *Restrictions of withdrawals.* —

(A) *In general.* — Amounts in a debt service reserve fund may not be withdrawn from the fund at any time in an amount that would reduce the amount of the fund to less than the minimum reserve fund requirement established for such fund in the resolution of the Authority creating such fund, except for withdrawals for the purpose of making payments when due of principal, interest, redemption premiums and sinking fund payments, if any, with respect to such bonds for the payment of which other moneys of the Authority are not available, and for the purpose of funding the operations of the Authority for a fiscal year (in such amounts and under such conditions as are established under the budget of the Authority for the fiscal year under § 47-391.06(a)).

(B) *Use of excess funds.* — Nothing in subparagraph (A) of this subsection may be construed to prohibit the Authority from transferring any income or interest earned by, or increments to, any debt service reserve fund due to the



investment thereof to other funds or accounts of the Authority (to the extent such transfer does not reduce the amount of the debt service reserve fund below the minimum reserve fund requirement established for such fund) for such purposes as the Authority considers appropriate to promote the financial stability and management efficiency of the District government.

(Apr. 17, 1995, 109 Stat. 138, Pub. L. 104-8, § 213; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in §§ 47-391.06, 47-392.14, and 47-392.22.

**Prior Codifications.** — 1981 Ed., § 47-392.13.

### § 47-392.14. Other requirements for issuance of bonds.

(a) *Minimum debt service reserve fund requirement.* — The Authority may not at any time issue bonds, notes, or other obligations pursuant to this part which are secured in whole or in part by a debt service reserve fund under § 47-392.13 if issuance of such bonds would cause the amount in the debt reserve fund to fall below the minimum reserve requirement for such fund, unless the Authority at the time of issuance of such bonds shall deposit in the fund an amount (from the proceeds of the bonds to be issued or from other sources) which when added to the amount already in such fund will cause the total amount on deposit in such fund to equal or exceed the minimum reserve fund requirement established by the Authority at the time of the establishment of the fund.

(b) *Amounts included in aggregate limit on District borrowing.* — Any amounts provided to the District government through the issuance of bonds, notes, or other obligations to borrow funds pursuant to this part shall be taken into account in determining whether the amount of funds borrowed by the District of Columbia during a fiscal year exceeds the limitation on such amount provided under § 1-206.03(b).

(Apr. 17, 1995, 109 Stat. 138, Pub. L. 104-8, § 214; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-392.22.

**Prior Codifications.** — 1981 Ed., § 47-392.14.

### § 47-392.15. No full faith and credit of the United States.

The full faith and credit of the United States is not pledged for the payment of any principal of or interest on any bond, note, or other obligation issued by the Authority pursuant to this part. The United States is not responsible or liable for the payment of any principal of or interest on any bond, note, or other obligation issued by the Authority pursuant to this part.

(Apr. 17, 1995, 109 Stat. 139, Pub. L. 104-8, § 215; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-392.22.

**Prior Codifications.** — 1981 Ed., § 47-392.15.

§§ 47-392.16 to 47-392.20. [Reserved].

PART D.

OTHER DUTIES OF AUTHORITY.

§ 47-392.21. Duties of Authority during year other than control year.

(a) *In general.* — During the period beginning upon the termination of a control period pursuant to § 47-392.09(b) and ending with the suspension of its activities pursuant to § 47-391.07(a), the Authority shall conduct the following activities:

(1) The Authority shall review the budgets of the District government adopted by the Council under § 1-204.46 for each fiscal year occurring during such period.

(2) At such time prior to the enactment of such budget by Congress as the Authority considers appropriate, the Authority shall prepare a report analyzing the budget and submit the report to the Mayor, the Council, the President, and Congress.

(3) The Authority shall monitor the financial status of the District government and shall submit reports to the Mayor, the Council, the President, and Congress if the Authority determines that a risk exists that a control period may be initiated pursuant to § 47-392.09(a).

(4) The Authority shall carry out activities under part C of this subchapter with respect to bonds, notes, or other obligations of the Authority outstanding during such period.

(b) *Requiring Mayor to submit budgets to Authority.* — With respect to the budget for each fiscal year occurring during the period described in subsection (a) of this section, at the time the Mayor submits the budget of the District government adopted by the Council to the President under § 1-204.46, the Mayor shall submit such budget to the Authority.

(Apr. 17, 1995, 109 Stat. 139, Pub. L. 104-8, § 221; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-392.22.

**Prior Codifications.** — 1981 Ed., § 47-392.21.

§ 47-392.22. General assistance in achieving financial stability and management efficiency.

In addition to any other actions described in §§ 47-392.01 through 47-392.24, the Authority may undertake cooperative efforts to assist the District



government in achieving financial stability and management efficiency, including:

(1) Assisting the District government in avoiding defaults, eliminating and liquidating deficits, maintaining sound budgetary practices, and avoiding interruptions in the delivery of services;

(2) Assisting the District government in improving the delivery of municipal services, the training and effectiveness of personnel of the District government, and the efficiency of management and supervision; and

(3) Making recommendations to the President for transmission to Congress on changes to this Act or other Federal laws, or other actions of the Federal Government, which would assist the District government in complying with an approved financial plan and budget under part B of this subchapter.

(Apr. 17, 1995, 109 Stat. 140, Pub. L. 104-8, § 222; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-392.22.

**References in text.** — “This Act,” referred to in paragraph (3), is the District of Columbia

Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995, 109 Stat. 97, Pub. L. 104-8.

## § 47-392.23. Obtaining reports.

The Authority may require the Mayor, the Chair of the Council, the Chief Financial Officer of the District of Columbia, and the Inspector General of the District of Columbia, to prepare and submit such reports as the Authority considers appropriate to assist it in carrying out its responsibilities under this Act, including submitting copies of any reports regarding revenues, expenditures, budgets, costs, plans, operations, estimates, and other financial or budgetary matters of the District government.

(Apr. 17, 1995, 109 Stat. 140, Pub. L. 104-8, § 223; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-392.22.

**Prior Codifications.** — 1981 Ed., § 47-392.23.

**References in text.** — “This Act,” referred

to in this section, is the District of Columbia Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995, 109 Stat. 97, Pub. L. 104-8.

## § 47-392.24. Reports and comments.

(a) *Annual reports to Congress.* — Not later than 30 days after the last day of each fiscal year which is a control year, the Authority shall submit a report to Congress describing:

(1) The progress made by the District government in meeting the objectives of this Act during the fiscal year;

(2) The assistance provided by the Authority to the District government in meeting the purposes of this Act for the fiscal year; and

(3) Any other activities of the Authority during the fiscal year.

(b) *Review and analysis of performance and financial accountability reports.* — The Authority shall review each report prepared and submitted by the

Mayor under § 1-204.61, and shall submit a report to Congress analyzing the completeness and accuracy of such reports.

(c) *Comments regarding activities of District government.* — At any time during a control year, the Authority may submit a report to Congress describing any action taken by the District government (or any failure to act by the District government) which the Authority determines will adversely affect the District government's ability to comply with an approved financial plan and budget under part B of this subchapter or will otherwise have a significant adverse impact on the best interests of the District of Columbia.

(d) *Reports on effect of Federal laws on District government.* — At any time during any year, the Authority may submit a report to the Mayor, the Council, the President, and Congress on the effect of laws enacted by Congress on the financial plan and budget for the year and on the financial stability and management efficiency of the District government in general.

(e) *Making reports publicly available.* — The Authority shall make any report submitted under this section available to the public, except to the extent that the Authority determines that the report contains confidential material.

(Apr. 17, 1995, 109 Stat. 140, Pub. L. 104-8, § 224; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-392.22.

**Prior Codifications.** — 1981 Ed., § 47-392.24.

**References in text.** — "This Act," referred

to in subsections (a)(1) and (a)(2), is the District of Columbia Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995, 109 Stat. 97, Pub. L. 104-8.

## § 47-392.25. Disposition of certain school property.

(a) *Power to dispose.* — Notwithstanding any other provision of law relating to the disposition of a facility or property described in subsection (d) of this section, the Authority may dispose (by sale, lease, or otherwise) of any facility or property described in subsection (d) of this section.

(b) *Preference for public charter school.* — In disposing of a facility or property under this section, the Authority shall give preference to an eligible applicant (as defined in § 38-1800.02) whose petition to establish a public charter school has been conditionally approved under § 38-1802.03(d)(2), or a Board of Trustees (as defined in § 38-1800.02) of such a public charter school, if doing so will not result in a significant loss of revenue than might be obtained from other dispositions or uses of the facility or property.

(c) *Use of proceeds from disposition for school repair and maintenance.* —

(1) *In general.* — The Authority shall deposit any proceeds of the disposition of a facility or property under this section in the Board of Education Real Property Maintenance and Improvement Fund (as established by the Real Property Disposal Act of 1990), to be used for the construction, maintenance, improvement, rehabilitation, or repair of buildings and grounds which are used for educational purposes for public and public charter school students in the District of Columbia.

(2) *Consultation.* — In disposing of a facility or property under this section, the Authority shall consult with the Superintendent of Schools of the



District of Columbia, the Mayor, the Council, the Administrator of General Services, and education and community leaders involved in planning for an agency or authority that will design and administer a comprehensive long-term program for repair and improvement of District of Columbia public school facilities (as described in § 38-1805.52(a)).

(3) *Legal effect of sale.* — The Authority may dispose of a facility or property under this section by executing a proper deed and any other legal instrument for conveyance of title to the facility or property, and such deed shall convey good and valid title to the purchaser of the facility or property.

(d) *Facility or property described.* — A facility or property described in this subsection is a facility or property which is described in § 38-1802.09(b)(1)(B) and with respect to which the Authority has made the following determinations:

(1) The property is no longer needed for purposes of operating a District of Columbia public school (as defined in § 38-1800.02).

(2) The disposition of the property is in the best interests of education in the District of Columbia.

(3) The Mayor (or any other department or agency of the District government) has failed to make substantial progress toward disposing the property during the 90-day period which begins on the date the Board of Education transfers jurisdiction over the property to the Mayor (or, in the case of property which is described in § 38-1802.09(b)(1)(B) as of September 30, 1996, during the 90-day period which begins on September 30, 1996).

(Apr. 17, 1995, 109 Stat. 140, Pub. L. 104-8, § 225, as added Sept. 30, 1996, 110 Stat. 3009-508, Pub. L. 104-208, title V, ch. 2, § 5206(a); enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Mar. 24, 1998, D.C. Law 12-81, § 59(a), 45 DCR 745.)

**Cross references.** — Office of property management, purpose, see § 10-1002.

**Prior Codifications.** — 1981 Ed., § 47-392.25.

**Legislative history of Law 12-81.** — Law 12-81, the "Technical Amendments Act of 1998," was introduced in Council and assigned Bill No. 12-408, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 4, 1997, and December 4, 1997, respectively. Signed by the Mayor on December 22, 1997, it was assigned Act No. 12-246 and transmitted to both Houses

of Congress for its review. D.C. Law 12-81 became effective on March 24, 1998.

**References in text.** — The "Board of Education Real Property Disposal Act of 1990", referred to in subsection (c)(1), is D.C. Law 8-158.

**Mayor's Orders.** — Delegation of the Mayor's Order Surplus Property Disposition Authority to the Director of the Office of Property Management to Dispose of Surplus School Properties on Behalf of the District of Columbia, see Mayor's Order 2001-60, May 1, 2001 (48 DCR 4740).

## CASE NOTES

### Construction and application.

Statute prescribing method for disposal of school properties by District of Columbia Financial Responsibility and Management Assistance Authority did not restrict Authority's dis-

posal of other types of property. *District of Columbia Fin. Responsibility & Mgmt. Auth. v. Concerned Senior Citizens of the Roosevelt Tenant Assoc.*, 129 F.Supp.2d 13, 2000 U.S. Dist. LEXIS 18865 (2000).

**§ 47-392.26. Prohibiting funding for terminated employees or contractors.**

(a) *In general.* — Except as provided in subsection (b) of this section, none of the funds made available to the District of Columbia during any fiscal year (beginning with fiscal year 1996) may be used to pay the salary or wages of any individual whose employment by the District government is no longer required as determined by the District of Columbia Financial Responsibility and Management Assistant Authority, or to pay any expenses associated with a contractor or consultant of the District government whose contract or arrangement with the District government is no longer required as determined by the Authority,

(b) *Exception for payments for services already provided.* — Funds made available to the District of Columbia may be used to pay an individual for employment already performed at the time of the Authority's determination, or to pay a contractor or consultant for services already provided at the time of the Authority's determination, to the extent permitted by the District of Columbia Financial Responsibility and Management Assistance Authority.

(c) *District government defined.* — In this section, the term "District government" has the meaning given such term in § 47-393(5).

(Sept. 30, 1996, 110 Stat. 3009-503, Pub. L. 104-208, title V, ch. 2, § 5204; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-392.26.

PART E.

DEFINITIONS.

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**§ 47-393. Definitions.**

In this Act, the following definitions apply:

(1) The term "Authority" means the District of Columbia Financial Responsibility and Management Assistance Authority established under § 47-391.01(a).

(2) The term "Council" means the Council of the District of Columbia.

(3) The term "control period" has the meaning given such term in § 47-392.09.

(4) The term "control year" means any fiscal year for which a financial plan and budget approved by the Authority under § 47-392.02(b) is in effect, and includes Fiscal Year 1996.

(5) The term "District government" means the government of the District of Columbia, including any department, agency or instrumentality of the government of the District of Columbia; any independent agency of the District of Columbia established under part F of title IV of the District of Columbia Home Rule Act or any other agency, board, or commission established by the



Mayor or the Council; the Council of the District of Columbia; and any other agency, public authority, or public benefit corporation which has the authority to receive monies directly or indirectly from the District of Columbia (other than monies received from the sale of goods, the provision of services, or the loaning of funds to the District of Columbia), except that such term does not include the Authority.

(6) The term “financial plan and budget” means a financial plan and budget described in part B of this subchapter, and includes the budgets of the District government for the fiscal years which are subject to the financial plan and budget (as described in § 47-392.01(b)).

(7) The term “Mayor” means the Mayor of the District of Columbia.

(Apr. 17, 1995, 109 Stat. 152, Pub. L. 104-8, § 305; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Aug. 5, 1997, 111 Stat. 760, Pub. L. 105-33, § 11261(a).)

**Cross references.** — Board of education, annual budget, allocations, see § 1-204.52.

Board of education, reports, estimates of expenses and expenditures, see § 38-103.

Board of education, submission of school-based budget, see § 38-2801.

Business improvement districts, “BID corporation” defined, see § 2-1215.02.

Council, powers and duties, see § 1-204.04.

Mayor, powers and duties, see § 1-204.22.

Mental health services, client enterprise program, establishment, see § 44-921.

Merit system, legal service, effect of control period, see § 1-608.62.

Personnel authority pilot programs, Mayor’s authority to implement during control period, see § 1-611.21.

Personnel authority pilot programs, Mayor’s authority to implement during control period, see § 1-619.03.

Police officers, fire fighters, and teachers re-

tirement benefits, calculation of District payment to each separate fund, see § 1-907.03.

Procurement, office of the chief financial officer of the District, application of Chapter 11A during control year, see § 2-301.04.

**Section references.** — This section is referred to in §§ 1-204.72, 1-206.03, 2-1217.01, 2-1219.01, and 47-3401.

**Prior Codifications.** — 1981 Ed., § 47-393.

**References in text.** — “This Act,” referred to in the introductory language of this section, is the District of Columbia Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995, 109 Stat. 97, Pub. L. 104-8.

“Part F of title IV of the District of Columbia Home Rule Act,” referred to in (5), is part F of title IV of Pub. L. 93-198, 87 Stat. 774, approved December 24, 1973, codified as §§ 1-204.61 through 1-204.66.

## PART F.

### MISCELLANEOUS PROVISIONS.

## § 47-395. Review and revision of regulations; permit and application processes.

(a) *Review of current regulations by Authority.* —

(1) *In general.* — Not later than 6 months after the date of the enactment of this title, the District of Columbia Financial Responsibility and Management Assistance Authority shall complete a review of regulations of the District of Columbia in effect as of the date of the enactment of this title and analyze the extent to which such regulations unnecessarily and inappropriately impair economic development in the District of Columbia and the financial stability and management efficiency of the District of Columbia

government. In carrying out such review, the Authority shall include an explicit reference to each recommendation made by the Business Regulatory Reform Commission pursuant to the Business Regulatory Reform Commission Act of 1994 (§ 3-3101 et seq.) [expired], together with specific findings and conclusions with respect to each such recommendation. The Authority shall transmit the findings of its review to the Mayor, Council, and Congress.

(2) *Revision.* — Based on the review conducted under paragraph (1) of this subsection and taking into account actions by the Council and the Executive Branch of the District of Columbia government, the Authority shall take such additional actions as it considers appropriate to repeal or revise the regulations of the District of Columbia, in accordance with (and subject to the terms and conditions described in) § 47-392.07.

(b) *Survey and revision of permit and application processes.* —

(1) *In general.* — Not later than 6 months after the date of the enactment of this title, the Authority shall complete a review of the current processes of the District of Columbia for obtaining permits and applications of all types and analyze the extent to which such processes and their completion times vary from the processes applicable in other jurisdictions. To the greatest extent possible, such review shall take into account the work and recommendations of the Business Regulatory Reform Commission pursuant to the Business Regulatory Reform Commission Act of 1994 (§ 3-3101 et seq.) [expired] and other existing and ongoing public and private regulatory reform efforts. The Authority shall transmit the findings of its review to the Mayor, Council, and Congress.

(2) *Revision.* — Based on the review conducted under paragraph (1) of this subsection and taking into account actions by the Council and the Executive Branch of the District of Columbia government, the Authority shall take such additional actions as it considers appropriate to repeal or revise the permit and application processes (and their completion times) of the District of Columbia, in accordance with (and subject to the terms and conditions described in) § 47-392.07. In carrying out such repeals or revisions, the Authority shall seek to ensure that the average time required to obtain a permit or application from the District of Columbia is consistent with the average time for other similar jurisdictions in the United States.

(c) *Reports to Congress.* — Upon the expiration of the 6-month period which begins on the date of the enactment of this title and on a quarterly basis thereafter, the Authority shall submit a report to Congress describing the steps taken to carry out the requirements of this section and the effectiveness of the regulatory, permit, and application processes of the District of Columbia.

(Aug. 5, 1997, 111 Stat. 780, Pub. L. 105-33, § 11701; Nov. 19, 1997, 111 Stat. 780, Pub. L. 105-100, § 157(d); Apr. 20, 1999, D.C. Law 12-264, § 52(i), 46 DCR 2118.)

**Prior Codifications.** — 1981 Ed., § 47-395.

**Legislative history of Law 12-264.** — For legislative history of D.C. Law 12-264, see Historical and Statutory Notes following § 47-392.02.

**Effective date.** — Section 11721 of title XI of Pub. L. 105-33, 111 Stat. 786, the National Capital Revitalization and Self-Government Improvement Act of 1997, provided that except as otherwise provided in this title, the provi-



sions of this title shall take effect on the later of October 1, 1997, or the day the District of Columbia Financial Responsibility and Management Assistance Authority certifies that the financial plan and budget for the District gov-

ernment for fiscal year 1998 meet the requirements of section 201(c)(1) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995, as amended by this title.

### *Subchapter VII-A. Management Reform Plans.*

#### **§ 47-395.01. Management reform plans for District government. [Repealed].**

Repealed.

(Aug. 5, 1997, 111 Stat. 731, Pub. L. 105-33, § 11102; Mar. 5, 1999, 113 Stat. 3, Pub. L. 106-1, § 3(a).)

**Prior Codifications.** — 1981 Ed., § 47-395.1.

#### **§ 47-395.02. Procedures for development of plans. [Repealed].**

Repealed.

(Aug. 5, 1997, 111 Stat. 731, Pub. L. 105-33, § 11103; Apr. 20, 1999, D.C. Law 12-264, § 52(j), 46 DCR 2118; Mar. 5, 1999, 113 Stat. 3, Pub. L. 106-1, § 3(a).)

**Prior Codifications.** — 1981 Ed., § 47-395.2.

had been amended by § 52(j) of D.C. Law 12-264; however, effect was given to the repeal by Pub. L. 106-1.

**Editor's notes.** — Section 47-395.2 1981 Ed.

#### **§ 47-395.03. Implementation of plans. [Repealed].**

Repealed.

(Aug. 5, 1997, 111 Stat. 732, Pub. L. 105-33, § 11104; Apr. 20, 1999, D.C. Law 12-264, § 52(k), 46 DCR 2118; Mar. 5, 1999, 113 Stat. 3, Pub. L. 106-1, § 3(a).)

**Prior Codifications.** — 1981 Ed., § 47-395.3.

**Editor's notes.** — Section 47-395.3 had been amended by § 52(k) of D.C. Law 12-264; however, effect was given to the repeal by Pub. L. 106-1.

Department heads report solely to Authority: Section 1604(f)(2)(B) of Pub. L. 105-34, 111 Stat. 1049, provided that notwithstanding

§ 11104(b)(3) of the Balanced Budget Act of 1997 (former paragraph (b)(3) of this section), in carrying out any of the management reform plans under such section, the head of a department of the government of the District of Columbia shall report solely to the District of Columbia Financial Responsibility and Management Assistance Authority.

#### **§ 47-395.04. Reform of powers and duties of department heads. [Repealed].**

Repealed.

(Aug. 5, 1997, 111 Stat. 732, Pub. L. 105-33, § 11105; Apr. 20, 1999, D.C. Law 12-264, § 52(l), 46 DCR 2118; Mar. 5, 1999, 113 Stat. 3, Pub. L. 106-1, § 3(a).)

**Prior Codifications.** — 1981 Ed., § 47-395.4.

**Construction of Law 12-124.** — Section 301 of D.C. Law 12-124 provided, in part, that nothing in the act shall be construed as superseding the provisions of the National Capital Revitalization and Self-Government Improve-

ment Act of 1997, approved Aug. 5, 1997 (P.L. 105-33; 111 Stat. 712), except that § 47-395.04(b)(3) is expressly superseded.

**Editor's notes.** — Section 47-395.4 had been amended by § 52(l) of D.C. Law 12-264; however, effect was given to the repeal by Pub. L. 106-1.

## § 47-395.05. Powers of Financial Responsibility and Management Authority unaffected. [Repealed].

Repealed.

(Aug. 5, 1997, 111 Stat. 734, Pub. L. 105-33, § 11106; Mar. 5, 1999, 113 Stat. 3, Pub. L. 106-1, § 3(a).)

**Prior Codifications.** — 1981 Ed., § 47-395.5.

### *Subchapter VIII. District of Columbia Convention Center and Sports Arena Authorization.*

## § 47-396.01. Expenditure of revenues for Convention Center activities.

The fourth sentence of § 1-204.46 shall not apply with respect to the expenditure or obligation of any revenues of the Washington Convention Center Authority for any purpose authorized under the Washington Convention Center Authority Act of 1994 (D.C. Law 10-188).

(Sept. 6, 1995, 109 Stat. 267, Pub. L. 104-28, § 101; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Aug. 12, 1998, 112 Stat. 1515, Pub. L. 105-227, § 1(a).)

**Prior Codifications.** — 1981 Ed., § 47-396.1.

**References in text.** — The "Washington Convention Center Authority Act of 1994 (D.C. Law 10-188)," referenced in this section, is codified principally as Chapter 12 of Title 10.

**Editor's notes.** — Waiver of Congressional review: For provisions waiving Congressional review of the Arena Tax Payment and Use Amendment Act of 1995, see § 301 of Pub. Law 104-28, 109 Stat. 270.

## § 47-398.01. Permitting designated authority to borrow funds for preconstruction activities relating to Gallery Place sports arena.

(a) *Permitting borrowing.* —

(1) *In general.* — The designated authority may borrow funds through the issuance of revenue bonds, notes, or other obligations which are secured by revenues pledged in accordance with paragraph (2) of this subsection to finance, refinance, or reimburse the costs of arena preconstruction activities described in § 47-398.04 if the designated authority is granted the authority to borrow funds for such purposes by the District of Columbia government.



(2) *Revenue required to secure borrowing.* — The designated authority may borrow funds under paragraph (1) of this subsection to finance, refinance, or reimburse the costs of arena preconstruction activities described in § 47-398.04 only if such borrowing is secured (in whole or in part) by the pledge of revenues of the District of Columbia which are attributable to the sports arena tax imposed as a result of the enactment of D.C. Law 10-128 (as amended by the Arena Tax Amendment Act of 1994 (D.C. Act 10-315)) and which are transferred by the Mayor of the District of Columbia to the designated authority pursuant to § 47-2752(a-1)(3).

(b) *Treatment of debt created.* — Any debt created pursuant to subsection (a) of this section shall not:

(1) Be considered general obligation debt of the District of Columbia for any purpose, including the limitation on the annual aggregate limit on debt of the District of Columbia under § 1-206.03(b);

(2) Constitute the lending the public credit for private undertakings for purposes of § 1-206.02(a)(2); or

(3) Be a pledge of or involve the full faith and credit of the District of Columbia.

(c) *Designated authority defined.* — The term “designated authority” means the Redevelopment Land Agency or such other District of Columbia government agency or instrumentality designated by the Mayor of the District of Columbia for purposes of carrying out any Arena preconstruction activities.

(Sept. 6, 1995, 109 Stat. 268, Pub. L. 104-28, § 201; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in §§ 47-398.02, 47-398.03, and 47-398.04.

**Prior Codifications.** — 1981 Ed., § 47-398.1.

**References in text.** — The reference in subsection (a)(2) to “D.C. Law 10-128 (as amended by the Arena Tax Amendment Act of 1994 (D.C. Act 10-315))” is reference to §§ 301 through 304 of D.C. Law 10-128 as amended by D.C. Law 10-189, which are codified as §§ 47-2751 through 47-2753 and notes to § 47-2751.

**Delegation of Authority.** — Delegation of Authority Under P.L. 104-28, the District of Columbia Convention Center and Sports Arena

Authorization Act of 1995, see Mayor’s Order 96-3, January 9, 1996 (43 DCR 317).

**Mayor’s Orders.** — Designation of Designated Authority Under P.L. 104-28, the District of Columbia Convention Center and Sports Arena Authorization Act of 1995: See Mayor’s Order 96-2, January 9, 1996 (43 DCR 315).

**Editor’s notes.** — Limitation on borrowing to be financed by Arena Tax: For temporary limitation on the amount of borrowing to be financed by the Arena Tax for the purpose of construction and financing of the Arena, see § 4 of the Real Property Tax Rates for Tax Year 1996 Emergency Amendment Act of 1995 (D.C. Act 11-148, October 26, 1995, 42 DCR 6054).

## § 47-398.02. Permitting certain District revenues to be pledged as security for borrowing.

(a) *In general.* — The District of Columbia (including the designated authority described in § 47-398.01(c)) may pledge as security for any borrowing undertaken pursuant to § 47-398.01(a) any revenues of the District of Columbia which are attributable to the sports arena tax imposed as a result of the enactment of D.C. Law 10-128 (as amended by the Arena Tax Amendment Act of 1994 (D.C. Act 10-315)), upon the transfer of such revenues by the Mayor

of the District of Columbia to the designated authority pursuant to § 47-2752(a-1)(3).

(b) *Exclusion of pledged revenues from calculation of annual aggregate limit on debt.* — Any revenues pledged as security by the District of Columbia pursuant to subsection (a) of this section shall be excluded from the determination of the dollar amount equivalent to 14% of District revenues under § 1-206.03(b)(3)(A).

(Sept. 6, 1995, 109 Stat. 269, Pub. L. 104-28, § 202; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-398.03.

**Prior Codifications.** — 1981 Ed., § 47-398.2.

**References in text.** — The reference in subsection (a) to “D.C. Law 10-128 (as amended

by the Arena Tax Amendment Act of 1994 (D.C. Act 10-315))” is a reference to §§ 301 through 304 of D.C. Law 10-128 as amended by D.C. Law 10-189, which are codified as §§ 47-2751 through 47-2753 and notes to § 47-2751.

### § 47-398.03. No appropriation necessary for arena preconstruction activities.

The fourth sentence of section 446 of the District of Columbia Home Rule Act (§ 1-204.46) shall not apply with respect to any of the following obligations or expenditures:

- (1) Borrowing conducted pursuant to § 47-398.01(a);
- (2) The pledging of revenues as security for such borrowing pursuant to § 47-398.02(a);
- (3) The payment of principal, interest, premium, debt servicing, contributions to reserves, or other costs associated with such borrowing; or
- (4) Other obligations or expenditures made to carry out any arena preconstruction activity described in § 47-398.04.

(Sept. 6, 1995, 109 Stat. 269, Pub. L. 104-28, § 203; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-398.3.

### § 47-398.04. Arena preconstruction activities described.

The arena preconstruction activities described in this section are as follows:

- (1) The acquisition of real property (or rights in real property) to serve as the site of the sports arena and related facilities;
- (2) The clearance, preparation, grading, and development of the site of the sports arena and related facilities, including the demolition of existing buildings;
- (3) The provision of sewer, water, and other utility facilities and infrastructure related to the sports arena;
- (4) The financing of a Metrorail connection to the site and other Metrorail modifications related to the sports arena;
- (5) The relocation of employees and facilities of the District of Columbia



government displaced by the construction of the sports arena and related facilities;

(6) The use of environmental, legal, and consulting services (including services to obtain regulatory approvals) for the construction of the sports arena;

(7) The financing of administrative and transaction costs incurred in borrowing funds pursuant to § 47-398.01(a), including costs incurred in connection with the issuance, sale, and delivery of bonds, notes, or other obligations; and

(8) The financing of other activities of the District of Columbia government associated with the development and construction of the sports arena, including the reimbursement of the District of Columbia government or others for costs incurred prior to September 6, 1995, which were related to the sports arena, so long as the designated authority determines that such costs are adequately documented and that the incurring of such costs was reasonable.

(Sept. 6, 1995, 109 Stat. 269, Pub. L. 104-28, § 204; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in §§ 47-398.01 and 47-398.03.

**Prior Codifications.** — 1981 Ed., § 47-398.4.

**Emergency legislation.** — For a temporary limit on the amount of borrowing to be financed

by the Arena Tax for the purpose of construction and financing of the Arena, see § 1303 of the Budget Support Congressional Review Emergency Act of 1996 (D.C. Act 11-206, February 9, 1996, 43 DCR 777).

## § 47-398.05. Limitation on amount of borrowing financed by arena tax.

Notwithstanding any other provision of law, the amount of borrowing associated with the arena development and construction costs, including, but not limited to, land acquisition, construction, predevelopment, off-site infrastructure, and financing for capital interest and principal, may not exceed \$61 million, to be paid from proceeds of the arena tax, established pursuant to § 47-2751 et seq.

(Mar. 5, 1996, D.C. Law 11-98, § 1303, 43 DCR 5; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-398.5.

**Temporary Addition of Section.** — For temporary (225 day) amendment of section, see § 4 of Real Property Tax Rates for Tax Year 1996 Temporary Amendment Act of 1995 (D.C. Law 11-86, February 10, 1996, law notification 43 DCR 1312).

**Emergency legislation.** — For temporary addition of section, see § 4 of the Real Property Tax Rates for Tax Year 1996 Emergency Amendment Act of 1995 (D.C. Act 11-148, Oc-

tober 26, 1995, 42 DCR 6054), § 4 of the Real Property Tax Rates for Tax Year 1996 Congressional Review Emergency Amendment Act of 1996 (D.C. Act 11-183, January 22, 1996, 43 DCR 376), and § 1303 of the Budget Support Congressional Review Emergency Act of 1996 (D.C. Act 11-206, February 9, 1996, 43 DCR 777).

**Legislative history of Law 11-98.** — For legislative history of D.C. Law 11-98, see Historical and Statutory Notes following § 47-319.01.

**§ 47-398.06. Rule of construction regarding revenue bond requirements under Home Rule Act.**

Nothing in the District of Columbia Convention Center and Sports Arena Authorization Act of 1995 may be construed to affect the application of section 490 of the District of Columbia Home Rule Act [§ 1-204.90] to any revenue bonds, notes, or other obligations issued by the Council of the District of Columbia or by any District instrumentality to which the Council delegates its authority to issue revenue bonds, notes, or other obligations under such section.

(Aug. 12, 1998, 112 Stat. 1515, Pub. L. 105-227, § 1(b).)

**Prior Codifications.** — 1981 Ed., § 47-398.6.

**References in text.** — The District of Co-

lumbia Convention Center and Sports Arena Authorization Act of 1995, referred to in this section, is Public Law 104-28.



## CHAPTER 4. COLLECTION AND DISBURSEMENT OF TAXES.

*Subchapter I. General Provisions*

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*Subchapter I. General Provisions.*

**§ 47-401. Required bond for Collector of Taxes.**

The Collector of Taxes before entering upon his duties shall execute a bond in the sum of \$100,000, with sufficient surety or sureties, to be approved by the Mayor of the District of Columbia conditioned for the faithful performance of the duties of his office.

(Leg. Assem., Aug. 23, 1871, ch. 108, § 7; June 20, 1874, 18 Stat. 116, ch. 337, § 2; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-401. 1973 Ed., § 47-302.

**Editor's notes.** — Office of Collector of Taxes abolished: The Office of the Collector of Taxes was abolished and the functions thereof transferred to the Board of Commissioners of the District of Columbia by Reorganization Plan No. 5 of 1952. All functions of the Office of the Collector of Taxes including the functions of all officers, employees and subordinate agen-

cies were transferred in the Director, Department of General Administration by Reorganization Order No. 3, dated August 28, 1952. Reorganization Order No. 20, dated November 10, 1952, transferred the functions of the Collector of Taxes to the Finance Office. The same Order provided for the Office of the Collector of Taxes headed by a Collector in the Finance Office and abolished the previously existing Office of the Collector of Taxes. Reorganization

Order No. 20 was superseded and replaced by Organization Order No. 121, dated December 12, 1957, which provided that the Finance Office (consisting of the Office of the Finance Officer, Property Tax Division, Revenue Division, Treasury Division, Accounting Division, and Data Processing Division) would continue under the direction and control of the Director of General Administration, and that the Treasury Division would perform the function of collecting revenues of the District of Columbia and depositing the same with the Treasurer of the United States. Organization Order No. 121 was revoked by Organization Order No. 3, dated December 13, 1967, Part IVC of which

prescribed the functions of the Finance Office within a newly established Department of General Administration. The executive functions of the Board of Commissioners were transferred to the Commissioner of the District of Columbia by § 401 of Reorganization Plan No. 3 of 1967. Functions of the Finance Office as stated in Part IVC of Organization Order No. 3 were transferred to the Director of the Department of Finance and Revenue by Commissioner's Order No. 69-96, dated March 7, 1969. The collection functions of the Director of the Department of Finance and Revenue were transferred to the District of Columbia Treasurer pursuant to § 47-316 on March 5, 1981.

## § 47-402. Deputy Collector of Taxes.

The Deputy Collector of Taxes shall perform such duties as may be required of him by the Collector, and the Collector may require the said Deputy Collector to give bond for the faithful performance of his duties; but the Collector shall in every respect be responsible, as now provided by law, to the United States, the District of Columbia, and to individuals, as the case may be, for all moneys collected.

(June 11, 1896, 29 Stat. 394, ch. 419; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-402.  
1973 Ed., § 47-303.

Taxes abolished: See Historical and Statutory Notes following § 47-401.

**Editor's notes.** — Office of Collector of

## § 47-403. Cashier in Collector's office.

The cashier (in the Collector's office) shall, in the necessary absence or inability of the Collector from any cause, perform his duties without any additional compensation; and the Collector may require the said cashier to give bond for the faithful performance of such duties during the absence or inability of the Collector; but the Collector shall in every respect be responsible, as now provided by law, to the United States, the District of Columbia, and to individuals, as the case may be, for all moneys collected.

(Aug. 6, 1890, 26 Stat. 294, ch. 724; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-403.  
1973 Ed., § 47-304.

Taxes abolished: See Historical and Statutory Notes following § 47-401.

**Editor's notes.** — Office of Collector of

## § 47-404. Account books of Collector.

(a) It shall be the duty of the Collector to keep in his office account books, in which shall be entered:

- (1) The dates of payment of all taxes;
- (2) The amounts paid;



- (3) The names of the persons by whom payment has been made;
- (4) The years paid for;
- (5) The property paid on; and
- (6) The names of the persons to whom assessed.

(b) His books shall at all times be open to the inspection of any officer who may be authorized by the Mayor of the District of Columbia to examine the same.

(Leg. Assem., Aug. 23, 1871, ch. 108, § 1; June 20, 1874, 18 Stat. 116, ch. 337, § 2; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-404.  
1973 Ed., § 47-305.

Taxes abolished: See Historical and Statutory  
Notes following § 47-401.

**Editor's notes.** — Office of Collector of

## § 47-405. Certificate of taxes and assessments due; furnishment; fee.

(a) The Mayor shall furnish whenever called upon, a certified statement of all taxes and assessments, general and special, that may be due at the time of making the certificate; and the certificate when furnished shall be a bar to the collection and recovery from any subsequent purchaser of any tax or assessment omitted from and which may be a lien upon the real property mentioned in the certificate, and the lien shall be discharged as to such subsequent purchaser, but shall not affect the liability of the person who owned the real property at the time such tax was assessed to pay the same, mentioned in the certificate. The Mayor shall collect a fee for each certificate of taxes issued.

(b) Subsection (a) of this section shall not apply to taxes and assessments, general and special, for which a lien has been recorded at the Recorder of Deeds.

(c) This section shall not apply to taxes owed, or which shall be owed, under § 47-850.02(c)(2) or § 47-863(g)(2).

(c-1) This section shall not apply to real property taxes deferred under §§ 47-845, 47-845.01, 47-845.02, and 47-845.03.

(d) The certified statement may be furnished in the form of a physical certificate or via an electronic medium, at the discretion of the Mayor. When furnished via an electronic medium, a digital signature shall be deemed a signature and official seal for purposes of subsection (a) of this section; provided, that in the absence of the digital signature, the last update to the electronic file as evidenced by the records of the Mayor, immediately prior to transfer of the real property for which the certified statement was obtained, shall be deemed the certified statement.

(Feb. 6, 1879, 20 Stat. 283, ch. 50; May 13, 1892, 27 Stat. 37, ch. 74; Mar. 3, 1917, 39 Stat. 1005, ch. 160; Mar. 3, 1925, 43 Stat. 1222, ch. 477; June 25, 1938, 52 Stat. 1202, ch. 702, § 11; Mar. 16, 1978, D.C. Law 2-57, § 2, 24 DCR 5426; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 508(e)(1), 48 DCR 334; Apr. 4, 2003, D.C. Law 14-282, § 11(b), 50 DCR 896; Oct. 20, 2005, D.C. Law 16-33, § 1143(a), 52 DCR 7503.)

**Prior Codifications.** — 1981 Ed., § 47-405. 1973 Ed., § 47-306.

**Effect of amendments.** — D.C. Law 13-305 rewrote the section which had read:

“The Collector of Taxes shall furnish whenever called upon, a certified statement, over his hand and official seal, of all taxes and assessments, general and special, that may be due at the time of making said certificate; and said certificate when furnished shall be a bar to the collection and recovery from any subsequent purchaser of any tax or assessment omitted from and which may be a lien upon the real estate mentioned in said certificate, and said lien shall be discharged as to such subsequent purchaser, but shall not affect the liability of the person who owned the property at the time such tax was assessed to pay the same, mentioned in said certificate. The charge for each certificate of taxes so issued shall be \$6.”

D.C. Law 14-282, in subsec. (b), substituted “Subsection (a) of this section” for “This section”; and added subsecs. (c) and (d).

D.C. Law 16-33 added subsec. (c-1).

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 8(e)(1) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

For temporary (225 day) amendment of section, see § 12(b) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(b) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 8(e)(1) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see § 12(b) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 12(b) of Tax Clarity and Related

Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(b) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

For temporary (90 day) amendment of section, see §§ 1143(a), 1144 of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

**Legislative history of Law 2-57.** — Law 2-57, the “Tax Certificate Issuance and Return Duplicating User Charges Act of 1977,” was introduced in Council and assigned Bill No. 2-201, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 8, 1977 and November 22, 1977, respectively. Signed by the Mayor on December 15, 1977, it was assigned Act No. 2-122 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 13-305.** — Law 13-305, the “Tax Clarity Act of 2000,” was introduced in Council and assigned Bill No. 13-586, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on October 2, 2000, and November 8, 2000, respectively. Signed by the Mayor on December 13, 2000, it was assigned Act No. 13-501 and transmitted to both Houses of Congress for its review. D.C. Law 13-305 became effective on June 9, 2001.

**Legislative history of Law 14-282.** — Law 14-282, the “Tax Clarity and Recorder of Deeds Act of 2002,” was introduced in Council and assigned Bill No. 14-537, which was referred to Committee on Finance and Revenue. The Bill was adopted on first and second readings on July 2, 2002, and October 1, 2002, respectively. Signed by the Mayor on January 22, 2003, it was assigned Act No. 14-616 and transmitted to both Houses of Congress for its review. D.C. Law 14-282 became effective on April 4, 2003.

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Editor's notes.** — Office of Collector of Taxes abolished: See Historical and Statutory Notes following § 47-401.

Section 1144 of D.C. Law 16-33 provided that §§ 1142 and 1143 shall apply to tax periods beginning after September 30, 2005.

## § 47-406. Powers of Mayor — Adjustment of certain rates.

The Mayor of the District of Columbia is hereby authorized from time to time to adjust the rates to be charged for issuing certificates of real estate taxes and assessments due and for duplicating District of Columbia tax returns. Notice of changes in such rates shall be published in accordance with the provisions of § 2-501 *et seq.* and, in addition, shall be filed with the Council of the District of Columbia at least 30 days prior to their effective date.



(Mar. 16, 1978, D.C. Law 2-57, § 5, 24 DCR 5426; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-406.  
1973 Ed., § 47-306.1.

legislative history of D.C. Law 2-57, see Historical and Statutory Notes following § 47-405.

**Legislative history of Law 2-57.** — For

## § 47-407. Powers of Mayor — Waiver of interest and penalties. [Repealed].

Repealed.

(June 25, 1938, 52 Stat. 1201, ch. 702, § 7; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(c), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-407.  
1973 Ed., § 47-307.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Editor's notes.** — Section 410(d) of D.C. Law 13-305 provided: "Section 406(a), (c), (j),

(m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000."

## § 47-408. Powers of Mayor — Omission from records of uncollectible taxes and assessments.

The Mayor of the District of Columbia is authorized to direct the Collector of Taxes of the District of Columbia to omit from his records as assets of the District of Columbia any and all taxes, real and personal, and all special assessments which the Mayor may determine are uncollectible, but such determination on the part of the Mayor or the failure of the Collector to carry such taxes on his records as assets shall not affect the liability of the taxpayer for the payment of said taxes.

(June 25, 1938, 52 Stat. 1202, ch. 702, § 10; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-408.  
1973 Ed., § 47-308.

Taxes abolished: See Historical and Statutory Notes following § 47-401.

**Editor's notes.** — Office of Collector of

## § 47-409. Disbursement of taxes and appropriations; settlement of accounts.

All taxes collected shall be paid into the Treasury of the United States, and the same, as well as the appropriations made by Congress for the expenses of the District of Columbia, shall be disbursed for the expenses of said District, on itemized vouchers, which shall have been audited and approved by the Auditor of the District of Columbia, certified by the Mayor of the District of Columbia; and the accounts of the Mayor, and the tax collectors, and all other officers required to account, shall be settled and adjusted by the General Accounting Office.

(June 11, 1878, 20 Stat. 105, ch. 180, § 4; June 10, 1921, 42 Stat. 24, ch. 18, § 305; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Cross references.** — Disbursing officer, general powers, advances in money, required accounting, see § 47-111.

**Section references.** — This section is referred to in § 47-410.

**Prior Codifications.** — 1981 Ed., § 47-409. 1973 Ed., § 47-309.

**Editor's notes.** — Office of Collector of Taxes abolished: See Historical and Statutory Notes following § 47-401.

## § 47-410. Payment of moneys into Treasury; requisitions and expenditures; disbursement accounts.

All moneys appropriated for the expenses of the government of the District of Columbia, together with all revenues of the District of Columbia from taxes or otherwise, shall be deposited in the Treasury of the United States, as required by the provisions of § 47-409, and shall be drawn therefrom only on requisition of the Mayor of the District of Columbia (except that the moneys appropriated for interest and the sinking fund shall be drawn therefrom only on the requisition of the Treasurer of the United States), such requisition specifying the appropriation upon which the same is drawn; and in no case shall such appropriation be exceeded either in requisition or expenditure; and the accounts for all disbursements of the Mayor of said District shall be made monthly to the General Accounting Office by the Auditor of the District of Columbia, on vouchers certified by the Mayor, as required by law.

(July 1, 1882, 22 Stat. 144, ch. 263, § 3; Mar. 3, 1883, 22 Stat. 470, ch. 95, § 2; June 10, 1921, 42 Stat. 24, ch. 18, § 304; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-410. 1973 Ed., § 47-310.

## § 47-411. Trust fund deposits and disbursements.

(a) All moneys received by the Collector of Taxes of the District of Columbia in the nature of trust fund deposits, the disposition of which is not provided for by law, and which had been on April 27, 1904, deposited by said Collector with the Treasurer of the United States to the official credit of the Disbursing Officer of the District of Columbia, shall be deposited by the said Collector in the Treasury of the United States to the credit of a permanent appropriation account, to be known and designated as "Miscellaneous Trust Fund Deposits, District of Columbia."

(b) Necessary advances from said permanent appropriation account shall be made by the Secretary of the Treasury to the Disbursing Officer of the District of Columbia, upon requisition of the Mayor of the District of Columbia for such amounts as may be required from time to time for necessary disbursements. The said Disbursing Officer shall make disbursements from such advances only upon itemized vouchers duly audited and approved by the Auditor of the District of Columbia, and the accounts of said Disbursing Officer for all such disbursements shall be rendered to and audited by the General Accounting Office.



(c) It shall be the duty of the Auditor of the District of Columbia to keep separate accounts with each depositor for all trust fund deposits received and deposited in accordance with the provisions of this section, showing the amounts received and deposited and the payments made on each individual account.

(Apr. 27, 1904, 33 Stat. 368, ch. 1628; June 10, 1921, 42 Stat. 24, ch. 18, § 304; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-411.  
1973 Ed., § 47-311.

Disbursing Office abolished: See Historical and Statutory Notes following § 47-111.

**Editor's notes.** — Office of Collector of Taxes abolished: See Historical and Statutory Notes following § 47-401.

## § 47-412. Applicability of personal property tax provisions. [Repealed].

Repealed.

(May 18, 1954, 68 Stat. 119, ch. 218, title XVI, § 1601; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(d), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-412.  
1973 Ed., § 47-312.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Editor's notes.** — Section 410(e) of D.C.

Law 13-305 provided: "Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x) through (aa), (cc), (ff), (gg), (oo), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001."

## § 47-412.01. Time for performance of acts when last day falls on Saturday, Sunday, or legal holiday.

When the last day prescribed administered by the Office of Tax and Revenue for performing any act falls on Saturday, Sunday, or a legal holiday, the performance of the act shall be considered timely if it is performed on the next succeeding day which is not a Saturday, Sunday, or a legal holiday. For the purposes of this section:

(1) The last day for the performance of any act shall be determined by including any authorized extension of time.

(2) The term "legal holiday" means a legal holiday in the District of Columbia.

(Apr. 8, 2011, D.C. Law 18-363, § 2(a)(2), 58 DCR 963.)

**Temporary Repeal of Section.** — Section 6 of D.C. Law 19-97 repealed D.C. Law 19-9.

**Temporary Addition of Section.** — Section 2 of D.C. Law 19-9 added a section to D.C. Law 18-363 to read as follows: "Sec. 3a. Applicability. "Sections 2 and 3 shall apply as of October 1, 2011."

Section 4(b) of D.C. Law 19-9 provided that

the act shall expire after 225 days of its having taken effect.

Section 2 of D.C. Law 19-75 added a section to D.C. Law 18-363 to read as follows:

"Sec. 3a. Applicability; transition.

"(a) Sections 2 and 3 shall apply upon Council approval and appointment by the Mayor of a full-time Chairperson and a full-time Vice

Chairperson to the Real Property Tax Appeals Commission for the District of Columbia.

“(b) Notwithstanding subsection (a) of this section, the Mayor shall appoint the members of the Real Property Tax Appeals Commission for the District of Columbia with the advice and consent of the Council in accordance with the provisions of section 2(b)(3).”.

Section 8(b) of D.C. Law 19-75 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) addition of § 3a of D.C. Law 18-363, see § 2 of Real Property Tax Appeals Commission Establishment Emergency Amendment Act of 2011 (D.C. Act 19-33, March 15, 2011, 58 DCR 2608).

For temporary (90 day) addition of § 3a of D.C. Law 18-363, see § 2 of Real Property Tax Appeals Commission Establishment Congressional Review Emergency Amendment Act of 2011 (D.C. Act 19-76, June 23, 2011, 58 DCR 5377).

**Legislative history of Law 18-363.** — Law 18-363, the “Real Property Tax Appeals Com-

mission Establishment Act of 2010”, was introduced in Council and assigned Bill No. 18-530, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on December 7, 2010, and December 21, 2010, respectively. Signed by the Mayor on January 28, 2011, it was assigned Act No. 18-714 and transmitted to both Houses of Congress for its review. D.C. Law 18-363 became effective on April 8, 2011.

**Editor’s notes.** — Section 4 of D.C. Law 19-155 added a section to D.C. Law 18-363 to read as follows:

“Sec. 3a. Applicability; transition.

“(a) Sections 2 and 3 shall apply upon Council approval and appointment by the Mayor of a full-time Chairperson and a full-time Vice Chairperson to the Real Property Tax Appeals Commission for the District of Columbia.

“(b) Notwithstanding subsection (a) of this section, the Mayor shall appoint the members of the Real Property Tax Appeals Commission for the District of Columbia with the advice and consent of the Council in accordance with the provisions of section 2(b)(3).”.

## § 47-413. Jeopardy assessment and collection. [Repealed].

Repealed.

(May 18, 1954, 68 Stat. 120, ch. 218, title XVI, § 1602; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(d), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-413. 1973 Ed., § 47-313.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Editor’s notes.** — Board of Personal Tax Appraisers abolished: The Board of Personal Tax Appraisers was abolished by Organization Order No. 121, dated December 12, 1957. This Order continued the Finance Office, under the Department of General Administration, composed of the Office of the Finance Officer, Property Tax Division, Revenue Division, Treasury Division, Accounting Division, and Data Processing Division, and also established a Board of Equalization and Review. Organization Order No. 121 was revoked by Organization Order No. 3, dated December 13, 1967, Part IVC of which prescribed the functions of the Finance Office within the newly established Department of General Administration and also established a Board of Equalization and Review in the Finance Office, composed of the Finance Officer as Chairman, and 2 or more qualified persons who are conversant with real estate values in the District of Columbia, to be designated by the Finance Officer with the approval of the Director of General Administration. Un-

der the provisions of the Order, the Board of Equalization and Review was empowered to review and equalize real estate assessments, hear complaints against real estate assessments and take appropriate action, and to transmit equalized assessments to the Commissioner for approval. Functions of the Finance Office as stated in Part IVC of Organization Order No. 3 were transferred to the Director of the Department of Finance and Revenue by Commissioner’s Order No. 69-96, dated March 7, 1969. The latter Order also provided that the Director of the Department of Finance and Revenue serve on the Board of Equalization and Review (now the Board of Real Property Assessments and Appeals). Office of Assessor abolished: The Office of Assessor was abolished and the functions thereof transferred to the Board of Commissioners of the District of Columbia by Reorganization Plan No. 5 of 1952. All functions of the Office of the Assessor including the functions of all officers, employees and subordinate agencies were transferred to the Department of General Administration by Reorganization Order No. 3 of the Board of Commissioners, dated August 28, 1952. Reorganization Order No. 20, dated No-



vember 10, 1952, abolished the Office of the Assessor and transferred the functions to the Finance Office in the Department of General Administration. The same Order provided that an Office of the Assessor would be created in the Finance Office. Reorganization Order No. 20 was superseded and replaced by Organization Order No. 121, dated December 12, 1957, which provided that the Finance Office (consisting of the Office of the Finance Officers, Property Tax Division, Revenue Division, Treasury Division, Accounting Division, and Data Processing Division) shall continue under the direction and control of the Director of General Administration, and prescribed the functions thereof. The executive functions of the Board of Commissioners were transferred to the Commissioner of the District of Columbia by § 401 of Reorga-

nization Plan No. 3 of 1967. Organization Order No. 121 was revoked by Organization Order No. 3, dated December 13, 1967, Part IVC of which prescribed the functions of the Finance Office within a newly established Department of General Administration. Functions of the Finance Office as stated in Part IVC of Organization Order No. 3 were transferred to the Director of the Department of Finance and Revenue by Commissioner's Order No. 69-96, dated March 7, 1969. Office of Collector of Taxes abolished: See Historical and Statutory Notes following § 47-401.

Section 410(e) of D.C. Law 13-305 provided: "Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x)through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001."

## § 47-414. Abatement of taxes. [Repealed].

Repealed.

(Sept. 30, 1966, 80 Stat. 858, Pub. L. 80-610, title IX, § 901; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(d), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-414. 1973 Ed., § 47-314.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Editor's notes.** — Section 410(e) of D.C.

Law 13-305 provided: "Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x)through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001."

## § 47-415. Regulations.

The Mayor may promulgate regulations to carry out the purposes of this subchapter.

(Apr. 4, 2003, D.C. Law 14-282, § 11(c), 50 DCR 896.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 12(c) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191 October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) addition of section, see § 12(c) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Emergency legislation.** — For temporary (90 day) addition of this section, see § 12(c) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) addition of this section, see § 12(c) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) addition of this section, see § 12(c) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-405.

*Subchapter II. Payments for Information Leading to Revenue Recovery.*

**§ 47-421. Interest. [Repealed].**

Repealed.

(Sept. 23, 1977, D.C. Law 2-20, § 2, 24 DCR 3339; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(e), 48 DCR 334; Mar. 13, 2004, D.C. Law 15-105, § 12(c), 51 DCR 881.)

**Prior Codifications.** — 1981 Ed., § 47-421. 1973 Ed., § 47-331.

**Legislative history of Law 2-20.** — Law 2-20, the “Revenue Recovery Act of 1977,” was introduced in Council and assigned Bill No. 2-21, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on May 3, 1977 and June 14, 1977, respectively. Signed by the Mayor on July 5, 1977, it was assigned Act No. 2-51 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Legislative history of Law 15-105.** — For Law 15-105, see notes following § 47-340.22.

**Editor’s notes.** — Appropriation: Section 111 of Pub. L. 104-194, 110 Stat. 2365, the District of Columbia Appropriations Act, 1997, provided that there are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making payments authorized by the District of Columbia Revenue Recovery Act of 1977.

**§ 47-422. Authority to make payments. [Repealed].**

Repealed.

(Sept. 23, 1977, D.C. Law 2-20, § 3, 24 DCR 3339; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(f), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-422. 1973 Ed., § 47-332.

**Legislative history of Law 2-20.** — For legislative history of D.C. Law 2-20, see Historical and Statutory Notes following § 47-421.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Editor’s notes.** — Appropriations authorized: Section 111 of Pub. L. 104-194, 110 Stat. 2365, the District of Columbia Appropriations

Act, 1997, provided that there are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making payments authorized by this subchapter.

Section 410(e) of D.C. Law 13-305 provided: “Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x)through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001.”

**§ 47-423. Authority to contract for payments. [Repealed].**

Repealed.

(Sept. 23, 1977, D.C. Law 2-20, § 4, 24 DCR 3339; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(g), 48 DCR 334; Mar. 13, 2004, D.C. Law 15-105, § 12(c), 51 DCR 881.)

**Prior Codifications.** — 1981 Ed., § 47-423. 1973 Ed., § 47-333.

**Legislative history of Law 2-20.** — For legislative history of D.C. Law 2-20, see Historical and Statutory Notes following § 47-421.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Legislative history of Law 15-105.** — For Law 15-105, see notes following § 47-340.22.



**§ 47-424. Persons ineligible to file claims. [Repealed].**

Repealed.

(Sept. 23, 1977, D.C. Law 2-20, § 5, 24 DCR 3339; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(h), 48 DCR 334; Mar 13, 2004, D.C. Law 15-105, § 12(c), 51 DCR 881.)

**Prior Codifications.** — 1981 Ed., § 47-424. 1973 Ed., § 47-334.

**Legislative history of Law 2-20.** — For legislative history of D.C. Law 2-20, see Historical and Statutory Notes following § 47-421.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Legislative history of Law 15-105.** — For Law 15-105, see notes following § 47-340.22.

**§ 47-425. Rules and regulations. [Repealed.]**

Repealed.

(Sept. 23, 1977, D.C. Law 2-20, § 5, 24 DCR 3339; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Mar. 13, 2004, D.C. Law 15-105, § 12(c), 51 DCR 881.)

**Prior Codifications.** — 1981 Ed., § 47-425. 1973 Ed., § 47-335.

**Emergency legislation.** — For temporary (90 day) repeal of section, see § 12(d) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

**Legislative history of Law 2-20.** — For legislative history of D.C. Law 2-20, see Historical and Statutory Notes following § 47-421.

**Legislative history of Law 15-105.** — For Law 15-105, see notes following § 47-340.22.

*Subchapter III. Reciprocal Recovery of Taxes.***§ 47-431. Right of states to sue in District; certificate of authorized official conclusive proof of authority.**

(a) Any state, acting through its lawfully authorized officials, shall have the right to sue in the Superior Court of the District of Columbia to recover any tax lawfully due and owing to it in any case in which such reciprocal right is accorded to the District of Columbia by such state, whether such right is granted by statutory authority or as a matter of comity.

(b) The certificate of the secretary of state, or of any other authorized official, of such state, or any subdivision thereof, to the effect that the official instituting a suit authorized under subsection (a) of this section for collection of taxes in the Superior Court of the District of Columbia has the authority to institute such suit and collect such taxes shall be conclusive proof of such authority.

(Sept. 27, 1978, 92 Stat. 751, Pub. L. 95-387, § 2; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-433.

**Prior Codifications.** — 1981 Ed., § 47-431. 1973 Ed., § 47-341.

**§ 47-432. Right of District to sue in states; authority of Mayor to secure services.**

(a) In any state, or any subdivision thereof, in which the District of Columbia is authorized under the laws of such state to bring suit for the purpose of recovering taxes lawfully due and owing the District of Columbia, the Attorney General for the District of Columbia is authorized to bring such suit in the name of the District of Columbia in the courts of such state, or any subdivision thereof.

(b) In connection with any such suit, the Mayor of the District of Columbia is authorized to secure professional and other services at such rates as may be usual and customary for such services in the jurisdiction involved.

(Sept. 27, 1978, 92 Stat. 751, Pub. L. 95-387, § 3; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 13, 2005, D.C. Law 15-354, § 73(a)(4), 52 DCR 2638.)

**Section references.** — This section is referred to in § 47-433.

**Prior Codifications.** — 1981 Ed., § 47-432. 1973 Ed., § 47-342; Sept. 27, 1978, 92 Stat. 751, Pub. L. 95-387, § 3.

**Effect of amendments.** — D.C. Law 15-354 substituted “Attorney General for the District of Columbia” for “Corporation Counsel”.

**Legislative history of Law 15-354.** — For Law 15-354, see notes following § 47-340.03.

**§ 47-433. Definitions.**

For purposes of this subchapter:

(1) The term “taxes” means:

(A) Any tax assessment lawfully made, whether based upon a return or any other disclosure of the taxpayer or upon the information and belief of the taxing authority involved;

(B) Any penalty lawfully imposed pursuant to any law, ordinance, or regulation which imposes a tax; or

(C) Any interest charge lawfully added to the tax liability which constitutes the subject of any suit brought under § 47-431 or § 47-432.

(2) The term “state” means any of the several states, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Marianas, Guam, the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

(Sept. 27, 1978, 92 Stat. 751, Pub. L. 95-387, § 4; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-433. 1973 Ed., § 47-343.

*Subchapter IV. Multistate Tax Compact.*

**§ 47-441. Adopted; form.**

The Multistate Tax Compact is adopted and entered into with all jurisdictions legally joining therein, in the form substantially set forth as follows:



## Article I. Purposes.

The purposes of this compact are to:

1. Facilitate proper determination of state and local tax liability of multistate taxpayers, including equitable apportionment of tax bases and settlement of apportionment disputes.
2. Promote uniformity or compatibility in significant components of tax systems.
3. Facilitate taxpayer convenience and compliance in the filing of tax returns and in other phases of tax administration.
4. Avoid duplicative taxation.

## Article II. Definitions.

1. "State" means a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States.

2. "Subdivision" means any governmental unit or special district of a state.

3. "Taxpayer" means any corporation, partnership, firm, association, governmental unit or agency or person acting as a business entity in more than one state.

4. "Income tax" means a tax imposed on or measured by net income including any tax imposed on or measured by an amount arrived at by deducting expenses from gross income, one or more forms of which expenses are not specifically and directly related to particular transactions.

5. "Capital stock tax" means a tax measured in any way by the capital of a corporation considered in its entirety.

6. "Gross receipts tax" means a tax, other than a sales tax, which is imposed on or measured by the gross volume of business, in terms of gross receipts or in other terms, and in the determination of which no deduction is allowed which would constitute the tax an income tax.

7. "Sales tax" means a tax imposed with respect to the transfer for a consideration of ownership, possession, or custody of tangible personal property or the rendering of services measured by the price of the tangible personal property transferred or services rendered and which is required by state or local law to be separately stated from the sales price, by the seller, or which is customarily separately stated from the sales price, but does not include a tax imposed exclusively on the sale of a specifically identified commodity or article or class of commodities or articles.

8. "Use tax" means a nonrecurring tax, other than a sales tax, which (a) is imposed on or with respect to the exercise or enjoyment of any right or power over tangible personal property incident to the ownership, possession, or custody of that property or the leasing of that property from another including any consumption, keeping, retention, or other use of tangible personal property and (b) is complementary to a sales tax.

9. "Tax" means an income tax, capital stock tax, gross receipts tax, sales tax, use tax, and any other tax which has a multistate impact, except that the

provisions of Articles III, IV, and V of this compact shall apply only to the taxes specifically designated therein and the provisions of Article IX of this compact shall apply only in respect to determinations pursuant to Article IV.

### Article III. Elements of Income Tax Laws.

#### Taxpayer Option, State and Local Taxes.

1. Any taxpayer subject to an income tax whose income is subject to apportionment and allocation for tax purposes pursuant to the laws of a party state or pursuant to the laws of subdivisions in two or more party states may elect to apportion and allocate his income in the manner provided by the laws of such state or by the laws of such states and subdivisions without reference to this compact, or may elect to apportion and allocate in accordance with Article IV. This election for any tax year may be made in all party states or subdivisions thereof or in any one or more of the party states or subdivisions thereof without reference to the election made in the others. For the purposes of this paragraph, taxes imposed by subdivisions shall be considered separately from state taxes and the apportionment and allocation also may be applied to the entire tax base. In no instance wherein Article IV is employed for all subdivisions of a state may the sum of all apportionments and allocations to subdivisions within a state be greater than the apportionment and allocation that would be assignable to that state if the apportionment or allocation were being made with respect to a state income tax.

#### Coverage.

2. Nothing in this article relates to the reporting or payment of any tax other than an income tax.

### Article IV. Division of Income.

1. As used in this article, unless the context otherwise requires:

(a) "Business income" means income arising from transactions and activity in the regular course of the taxpayer's trade or business and includes income from tangible and intangible property if the acquisition, management, and disposition of the property constitute integral parts of the taxpayer's regular trade or business operations.

(b) "Commercial domicile" means the principal place from which the trade or business of the taxpayer is directed or managed.

(c) "Compensation" means wages, salaries, commissions, and any other form of remuneration paid to employees for personal services.

(d) "Financial organization" means any bank, trust company, savings bank, industrial bank, land bank, safe deposit company, private banker, savings and loan association, credit union, cooperative bank, small loan company, sales finance company, investment company, or any type of insurance company.

(e) "Nonbusiness income" means all income other than business income.



(f) "Public utility" means any business entity (1) which owns or operates any plan, equipment, property, franchise, or license for the transmission of communications, transportation of goods or persons, except by pipe line, or the production, transmission, sale, delivery, or furnishing of electricity, water, or steam; and (2) whose rates of charges for goods or services have been established or approved by a federal, state, or local government or governmental agency.

(g) "Sales" means all gross receipts of the taxpayer not allocated under paragraphs of this article.

(h) "State" means any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, and any foreign country or political subdivision thereof.

(i) "This state" means the state in which the relevant tax return is filed, or, in the case of application of this article, to the apportionment and allocation of income for local tax purposes, the subdivision or local taxing district in which the relevant tax return is filed.

2. Any taxpayer having income from business activity which is taxable both within and without this state, other than activity as a financial organization or public utility or the rendering of purely personal services by an individual, shall allocate and apportion his net income as provided in this article. If a taxpayer has income from business activity as a public utility but derives the greater percentage of his income from activities subject to this article, the taxpayer may elect to allocate and apportion his entire net income as provided in this article.

3. For purposes of allocation and apportionment of income under this article, a taxpayer is taxable in another state if (1) in that state he is subject to a net income tax, a franchise tax measured by net income, a franchise tax for the privilege of doing business, or a corporate stock tax, or (2) that state has jurisdiction to subject the taxpayer to a net income tax regardless of whether, in fact, the state does or does not.

4. Rents and royalties from real or tangible personal property, capital gains, interest, dividends or patent or copyright royalties, to the extent that they constitute nonbusiness income, shall be allocated as provided in paragraphs 5 through 8 of this article.

5.(a) Net rents and royalties from real property located in this state are allocable to this state.

(b) Net rents and royalties from tangible personal property are allocable to this state (1) if and to the extent that the property is utilized in this state, or (2) in their entirety if the taxpayer's commercial domicile is in this state and the taxpayer is not organized under the laws of or taxable in the state in which the property is utilized.

(c) The extent of utilization of tangible personal property in a state is determined by multiplying the rents and royalties by a fraction, the numerator of which is the number of days of physical location of the property in the state during the rental or royalty period in the taxable year, and the denominator of which is the number of days of physical location of the property everywhere during all rental or royalty periods in the taxable year. If the physical location

of the property during the rental or royalty period is unknown or unascertainable by the taxpayer, tangible personal property is utilized in the state in which the property was located at the time the rental or royalty payer obtained possession.

6.(a) Capital gains and losses from sales of real property located in this state are allocable to this state.

(b) Capital gains and losses from sales of tangible personal property are allocable to this state if (1) the property had a situs in this state at the time of the sale, or (2) the taxpayer's commercial domicile is in this state, and the taxpayer is not taxable in the state in which the property had a situs.

(c) Capital gains and losses from sales of intangible personal property are allocable to this state if the taxpayer's commercial domicile is in this state.

7. Interest and dividends are allocable to this state if the taxpayer's commercial domicile is in this state.

8.(a) Patent and copyright royalties are allocable to this state (1) if and to the extent that the patent or copyright is utilized by the payer in this state, or (2) if and to the extent that the patent or copyright is utilized by the payer in a state in which the taxpayer is not taxable and the taxpayer's commercial domicile is in this state.

(b) A patent is utilized in a state to the extent that it is employed in production, fabrication, manufacturing, or other processing in the state, or to the extent that a patented product is produced in the state. If the basis of receipts from patent royalties does not permit allocation to states, or if the accounting procedures do not reflect states of utilization, the patent is utilized in the state in which the taxpayer's commercial domicile is located.

(c) A copyright is utilized in a state to the extent that printing or other publication originates in the state. If the basis of receipts from copyright royalties does not permit allocation to states or if the accounting procedures do not reflect state of utilization, the copyright is utilized in the state in which the taxpayer's commercial domicile is located.

9. All business income shall be apportioned to this state by multiplying the income by a fraction, the numerator of which is the property factor, plus the payroll factor, plus the sales factor, and the denominator of which is three.

10. The property factor is a fraction, the numerator of which is the average value of the taxpayer's real and tangible personal property owned or rented and used in this state during the tax period, and the denominator of which is the average value of all the taxpayer's real and tangible personal property owned or rented and used during the tax period.

11. Property owned by the taxpayer is valued at its original cost. Property rented by the taxpayer is valued eight times the net annual rental rate. Net annual rental rate is the annual rental rate paid by the taxpayer less any annual rental rate received by the taxpayer from subrentals.

12. The average value of property shall be determined by averaging the values at the beginning and ending of the tax period, but the tax administrator may require the averaging of monthly values during the tax period if reasonably required to reflect properly the average value of the taxpayer's property.



13. The payroll factor is a fraction, the numerator of which is the total amount paid in this state during the tax period by the taxpayer for compensation, and the denominator of which is the total compensation paid everywhere during the tax period.

14. Compensation is paid in this state if:

(a) the individual's service is performed entirely within the state;  
(b) the individual's service is performed both within and without the state, but the service performed without the state is incidental to the individual's service within the state; or

(c) some of the service is performed in the state and (1) the base of operations or, if there is no base of operations, the place from which the service is directed or controlled is in the state, or (2) the base of operations or the place from which the service is directed or controlled is not in any state in which some part of the service is performed, but the individual's residence is in this state.

15. The sales factor is a fraction, the numerator of which is the total sales of the taxpayer in this state during the tax period, and the denominator of which is the total sales of the taxpayer everywhere during the tax period.

16. Sales of tangible personal property are in this state if:

(a) the property is delivered or shipped to a purchaser, within this state regardless of the f.o.b. point or other conditions of the sale; or

(b) the property is shipped from an office, store, warehouse, factory, or other place of storage in this state and (1) the purchaser is the United States government or (2) the taxpayer is not taxable in the state of the purchaser.

17. Sales, other than sales of tangible personal property, are in this state if:

(a) the income-producing activity is performed in this state; or

(b) the income-producing activity is performed both in and outside this state and a greater proportion of the income-producing activity is performed in this state than in any other state, based on costs of performance.

18. If the allocation and apportionment provisions of this article do not fairly represent the extent of the taxpayer's business activity in this state, the taxpayer may petition for, or the tax administrator may require, in respect to all or any part of the taxpayer's business activity, if reasonable:

(a) separate accounting;

(b) the exclusion of any one or more of the factors;

(c) the inclusion of one or more additional factors which will fairly represent the taxpayer's business activity in this state; or

(d) the employment of any other method to effectuate an equitable allocation and apportionment of the taxpayer's income.

## Article V. Elements of Sales and Use Tax Laws.

### Tax Credit.

1. Each purchaser liable for a use tax on tangible personal property shall be entitled to full credit for the combined amount or amounts of legally imposed sales or use taxes paid by him with respect to the same property to

another state and any subdivision thereof. The credit shall be applied first against the amount of any use tax due the state, and any unused portion of the credit shall then be applied against the amount of any use tax due a subdivision.

### Exemption Certificates.

#### Vendors May Rely.

2. Whenever a vendor receives and accepts in good faith from a purchaser a resale or other exemption certificate or other written evidence of exemption authorized by the appropriate state or subdivision taxing authority, the vendor shall be relieved of liability for a sales or use tax with respect to the transaction.

### Article VI. The Commission.

#### Organization and Management.

1.(a) The Multistate Tax Commission is hereby established. It shall be composed of one "member" from each party state who shall be the head of the state agency charged with the administration of the types of taxes to which this compact applies. If there is more than one such agency, the state shall provide by law for the selection of the Commission member from the heads of the relevant agencies. State law may provide that a member of the Commission be represented by an alternate but only if there is on file with the Commission written notification of the designation and identity of the alternate. The Attorney General of each party state or his designee, or other counsel if the laws of the party state specifically provide, shall be entitled to attend the meetings of the Commission, but shall not vote. Such Attorneys General, designees, or other counsel shall receive all notices of meetings required under paragraph 1(e) of this article.

(b) Each party state shall provide by law for the selection of representatives from its subdivisions affected by this compact to consult with the Commission member from that state.

(c) Each member shall be entitled to one vote. The Commission shall not act unless a majority of the members are present, and no action shall be binding unless approved by a majority of the total number of members.

(d) The Commission shall adopt an official seal to be used as it may provide.

(e) The Commission shall hold an annual meeting and such other regular meetings as its bylaws may provide and such special meetings as its Executive Committee may determine. The Commission bylaws shall specify the dates of the annual and any other regular meetings, and shall provide for the giving of notice of annual, regular, and special meetings. Notices of special meetings shall include the reasons therefor and an agenda of the items to be considered.

(f) The Commission shall elect annually, from among its members, a Chairman, a Vice Chairman and a Treasurer. The Commission shall appoint



an Executive Director who shall serve at its pleasure, and it shall fix his duties and compensation. The Executive Director shall be Secretary of the Commission. The Commission shall make provisions for the bonding of such of its officers and employees as it may deem appropriate.

(g) Irrespective of the civil service, personnel, or other merit system laws of any party state, the Executive Director shall appoint or discharge such personnel as may be necessary for the performance of the functions of the Commission, and shall fix their duties and compensation. The Commission bylaws shall provide for personnel policies and programs.

(h) The Commission may borrow, accept, or contract for the services of personnel from any state, the United States, or any other governmental entity.

(i) The Commission may accept for any of its purposes and functions, any and all donations and grants of money, equipment, supplies, materials, and services, conditional or otherwise, from any governmental entity and may utilize and dispose of the same.

(j) The Commission may establish one or more offices for the transacting of its business.

(k) The Commission shall adopt bylaws for the conduct of its business. The Commission shall publish its bylaws in convenient form, and shall file a copy of the bylaws and any amendments thereto with the appropriate agency or officer in each of the party states.

(l) The Commission annually shall make to the Governor and legislature of each party state a report covering its activities for the preceding year. Any donation or grant accepted by the Commission or services borrowed shall be reported in the annual report of the Commission, and shall include the nature, amount, and conditions, if any, of the donation, gift, grant, or services borrowed and the identity of the donor or lender. The Commission may make additional reports as it may deem desirable.

#### Committees.

2.(a) To assist in the conduct of its business when the full Commission is not meeting, the Commission shall have an Executive Committee of seven members, including the Chairman, Vice Chairman, Treasurer, and four other members elected annually by the Commission. The Executive Committee, subject to the provisions of this compact and consistent with the policies of the Commission, shall function as provided in the bylaws of the Commission.

(b) The Commission may establish advisory and technical committees, membership on which may include private persons and public officials, in furthering any of its activities. Such committees may consider any matter of concern to the Commission, including problems of special interest to any party state and problems dealing with particular types of taxes.

(c) The Commission may establish such additional committees as its bylaws may provide.

#### Powers.

3. In addition to powers conferred elsewhere in this compact, the Commission shall have power to:

(a) Study state and local tax systems and particular types of state and local taxes.

(b) Develop and recommend proposals for an increase in uniformity or compatibility of state and local tax laws with a view toward encouraging the simplification and improvement of state and local tax law and administration.

(c) Compile and publish information as in its judgment would assist the party states in implementation of the compact and taxpayers in complying with state and local tax laws.

(d) Do all things necessary and incidental to the administration of its functions pursuant to this compact.

#### Finance.

4.(a) The Commission shall submit to the Governor or designated officer or officers of each party state a budget of its estimated expenditures for such period as may be required by the laws of that state for presentation to the legislature thereof.

(b) Each of the Commission's budgets of estimated expenditures shall contain specific recommendations of the amounts to be appropriated by each of the party states. The total amount of appropriations requested under any such budget shall be apportioned among the party states as follows: one-tenth in equal shares; and the remainder in proportion to the amount of revenue collected by each party state and its subdivisions from income taxes, capital stock taxes, gross receipts taxes, sales and use taxes. In determining such amounts, the Commission shall employ such available public sources of information as, in its judgment, present the most equitable and accurate comparisons among the party states. Each of the Commission's budgets of estimated expenditures and requests for appropriations shall indicate the sources used in obtaining information employed in applying the formula contained in this paragraph.

(c) The Commission shall not pledge the credit of any party state. The Commission may meet any of its obligations in whole or in part with funds available to it under paragraph 1(i) of this article; provided that the Commission takes specific action setting aside such funds prior to incurring any obligation to be met in whole or in part in such manner. Except where the Commission makes use of funds available to it under paragraph 1(i), the Commission shall not incur any obligation prior to the allotment of funds by the party states adequate to meet the same.

(d) The Commission shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the Commission shall be subject to the audit and accounting procedures established under its bylaws. All receipts and disbursements of funds handled by the Commission shall be audited yearly by a certified or licensed public accountant and the report of the audit shall be included in and become part of the annual report of the Commission.

(e) The accounts of the Commission shall be open at any reasonable time for inspection by duly constituted officers of the party states and by any persons authorized by the Commission.



(f) Nothing contained in this article shall be construed to prevent Commission compliance with laws relating to audit or inspection of accounts by or on behalf of any government contributing to the support of the Commission.

#### Article VII. Uniform Regulations and Forms.

1. Whenever any two or more party states, or subdivisions of party states, have uniform or similar provisions of law relating to an income tax, capital stock tax, gross receipts tax, sales or use tax, the Commission may adopt uniform regulations for any phase of the administration of such law, including assertion of jurisdiction to tax, or prescribing uniform tax forms. The Commission may also act with respect to the provisions of Article IV of this compact.

2. Prior to the adoption of any regulation, the Commission shall:

(a) As provided in its bylaws, hold at least one public hearing on due notice to all affected party states and subdivisions thereof and to all taxpayers and other persons who have made timely request of the Commission for advance notice of its regulation-making proceedings.

(b) Afford all affected party states and subdivisions and interested persons an opportunity to submit relevant written data and views, which shall be considered fully by the Commission.

3. The Commission shall submit any regulations adopted by it to the appropriate officials of all party states and subdivisions to which they might apply. Each such state and subdivision shall consider any such regulation for adoption in accordance with its own laws and procedures.

#### Article VIII. Interstate Audits.

1. This article shall be in force only in those party states that specifically provide therefor by statute.

2. Any party state or subdivision thereof desiring to make or participate in an audit of any accounts, books, papers, records, or other documents, may request the Commission to perform the audit on its behalf. In responding to the request, the Commission shall have access to and may examine, at any reasonable time, such accounts, books, papers, records, and other documents and any relevant property or stock of merchandise. The Commission may enter into agreements with party states or their subdivisions for assistance in performance of the audit. The Commission shall make charges, to be paid by the state or local government or governments for which it performs the service, for any audits performed by it in order to reimburse itself for the actual costs incurred in making the audit.

3. The Commission may require the attendance of any person within the state where it is conducting an audit or part thereof at a time and place fixed by it within such state for the purpose of giving testimony with respect to any account, book, paper, documents, other record, property or stock of merchandise being examined in connection with the audit. If the person is not within the jurisdiction, he may be required to attend for such purpose at any time and

place fixed by the Commission within the state of which he is a resident; provided that such state has adopted this article.

4. The Commission may apply through the Mayor of the District of Columbia, to any court in the District of Columbia having power to issue compulsory process for orders in aid of its powers and responsibilities pursuant to this article, if the party or subject matter on account of which the Commission seeks an order is within the jurisdiction of the courts of the District of Columbia. The Commission may apply for such order to the courts of the state or subdivision thereof, other than the District of Columbia, on behalf of which the audit is being made, or in which the party or subject matter being sought is situated, to the extent that the Commission is authorized to do so by the laws of such other state. Failure of any person to obey any such order shall be punishable as contempt of the issuing court.

5. The Commission may decline to perform any audit requested if it finds that its available personnel or other resources are insufficient for the purpose or that, in the terms requested, the audit is impracticable of satisfactory performance. If the Commission, on the basis of its experience, has reason to believe that an audit of a particular taxpayer, either at a particular time or on a particular schedule, would be of interest to a number of party states or their subdivisions, it may offer to make the audit or audits, the offer to be contingent on sufficient participation therein as determined by the Commission.

6. Information obtained by an audit pursuant to this article shall be confidential and available only for tax purposes to party states, their subdivisions, or the United States. Availability of information shall be in accordance with the laws of the states or subdivisions on whose account the Commission performs the audit, and only through the appropriate agencies or officers of such states or subdivisions. Nothing in this article shall be construed to require any taxpayer to keep records for any period not otherwise required by law.

7. Other arrangements made or authorized pursuant to law for cooperative audit by or on behalf of the party states or any of their subdivisions are not superseded or invalidated by this article.

8. In no event shall the Commission make any charge against a taxpayer for an audit.

9. As used in this article, "tax", in addition to the meaning ascribed to it in Article II, means any tax or license fee imposed in whole or in part for revenue purposes.

#### Article IX. Entry into Force and Withdrawal.

1. This compact shall enter into force when enacted by any seven states. Thereafter, this compact shall become effective as to any other state upon its enactment thereof. The Commission shall arrange for notification of all party states whenever there is a new enactment of the compact.

2. Any party state may withdraw from this compact by enacting a statute repealing the same. No withdrawal shall affect any liability already incurred by or chargeable to a party state prior to the time of such withdrawal.



## Article X. Effect on Other Laws and Jurisdiction.

Nothing in this compact shall be construed to:

(a) Affect the power of any state or subdivision thereof to fix rates of taxation.

(b) Apply to any tax or fixed fee imposed for the registration of a motor vehicle or any tax on motor fuel, other than a sales tax; provided that the definition of "tax" in Article VIII 9. may apply for the purposes of that article and the Commission's powers of study and recommendation pursuant to Article VI 3. may apply.

(c) Withdraw or limit the jurisdiction of any state or local court or administrative officer or body with respect to any person, corporation, or other entity or subject matter, except to the extent that such jurisdiction is expressly conferred by or pursuant to this compact upon another agency or body.

(d) Supersede or limit the jurisdiction of any court of the United States.

## Article XI. Construction and Severability.

This compact shall be liberally construed so as to effectuate the purposes thereof. The provisions of this compact shall be severable and if any phrase, clause, sentence, or provision of this compact is declared to be contrary to the constitution of any state or of the United States or the applicability thereof to any government, agency, person, or circumstance is held invalid, the validity of the remainder of this compact and the applicability thereof to any government, agency, person, or circumstance shall not be affected thereby if this compact shall be held contrary to the constitution of any state participating therein, the compact shall remain in full force and effect as to the remaining party states and in full force and effect as to the state affected as to all severable matters.

(July 18, 1981, D.C. Law 4-17, § 2, 28 DCR 2368; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Cross references.** — Mayoral nomination of agency heads, review and approval of Council, see § 1-523.01.

**Section references.** — This section is referred to in §§ 47-443, 47-444, and 47-1817.01a.

**Prior Codifications.** — 1981 Ed., § 47-441.

**Legislative history of Law 4-17.** — Law 4-17, the "Multistate Tax Compact Membership

Act of 1981," was introduced in Council and assigned Bill No. 4-51, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on April 7, 1981 and May 5, 1981, respectively. Signed by the Mayor on May 21, 1981, it was assigned Act No. 4-32 and transmitted to both Houses of Congress for its review.

## CASE NOTES

**Business income.**

Although the first clause of the statute defining business income sets forth a unitary transactional test by requiring that every transaction, taxable as such, be in the regular course of the taxpayer's trade or business, the second clause of the statute provides an alternative functional test by allowing business income to include income from tangible and intangible property if the acquisition, management and

disposition of the property constitutes integral parts of the taxpayer's regular trade or business operation regardless of how sporadically they arise out of those operations. D.C. Code 1982 Supp. § 47-441, Art. IV, subd. 1(a). *District of Columbia v. Pierce Associates, Inc.*, 462 A.2d 1129, 1983 D.C. App. LEXIS 390 (1983).

If the property has an integral function in the taxpayer's unitary business, its income property can be apportioned and taxed as business

income, even though the transaction itself does not reflect the taxpayer's normal trade or business. D.C. Code 1982 Supp. § 47-441, Art. IV, subd. 1(a). *District of Columbia v. Pierce Associates, Inc.*, 462 A.2d 1129, 1983 D.C. App. LEXIS 390 (1983).

Insurance proceeds received by taxpayer for flood damage to its Virginia manufacturing facility were taxable as "business income" where facility furthered the taxpayer's business of furnishing and installing mechanical

systems and was an integral part of taxpayer's unitary business in that taxpayer treated facility as part of its business, deducted from its District of Columbia income taxes the expenses it incurred in connection with maintaining the facility, and depreciation deductions for wear and tear. D.C. Code 1982 Supp. § 47-441, Art. IV, subd. 1(a). *District of Columbia v. Pierce Associates, Inc.*, 462 A.2d 1129, 1983 D.C. App. LEXIS 390 (1983).

## § 47-442. Appointment to Multistate Tax Commission; alternate.

The Mayor, with the advice and consent of the Council, shall appoint a person who shall be the District of Columbia member of the Multistate Tax Commission. Such person may designate an alternate who may represent him on the Commission and who shall be a deputy or principal assistant of the agency headed by the designated member.

(July 18, 1981, D.C. Law 4-17, § 3, 28 DCR 2368; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-442.  
**Legislative history of Law 4-17.** — For

legislative history of D.C. Law 4-17, see Historical and Statutory Notes following § 47-441.

## § 47-443. Existing District tax laws and regulations not affected.

Nothing contained in this subchapter shall be construed to repeal or otherwise limit the effectiveness of existing District of Columbia tax laws and regulations for which there are no corresponding provisions in the Uniform Division of Income provisions contained in Article IV of the Multistate Compact in § 47-441.

(July 18, 1981, D.C. Law 4-17, § 4, 28 DCR 2368; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-443.  
**Legislative history of Law 4-17.** — For

legislative history of D.C. Law 4-17, see Historical and Statutory Notes following § 47-441.

## § 47-444. Audits.

Article VIII of the Multistate Tax Compact, as set forth in § 47-441, shall be in full force and effect in and with respect to the District of Columbia.

(July 18, 1981, D.C. Law 4-17, § 5, 28 DCR 2368; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-444.  
**Legislative history of Law 4-17.** — For

legislative history of D.C. Law 4-17, see Historical and Statutory Notes following § 47-441.



## § 47-445. Rules and regulations.

The Mayor is authorized to promulgate rules and regulations necessary for the efficient administration of this subchapter.

(July 18, 1981, D.C. Law 4-17, § 6, 28 DCR 2368; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-445.

**Temporary Repeal of Section.** — For temporary (225 day) repeal of section, see § 12(d) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) repeal of section, see § 12(d) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Emergency legislation.** — For temporary (90 day) repeal of section, see § 12(d) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) repeal of section, see § 12(d) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) repeal of section, see § 12(d) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 4-17.** — For legislative history of D.C. Law 4-17, see Historical and Statutory Notes following § 47-441.

**Delegation of Authority.** — Delegation of authority pursuant to Law 4-17, see Mayor's Order 86-145, August 25, 1986.

## § 47-446. Implementation subject to appropriations. [Repealed].

Repealed.

(July 18, 1981, D.C. Law 4-17, § 7, 28 DCR 2368; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 575; Mar. 3, 2010, D.C. Law 18-111, § 7008, 57 DCR 181.)

**Prior Codifications.** — 1981 Ed., § 47-446.

**Emergency legislation.** — For temporary (90 day) repeal, see § 7008 of Fiscal Year 2010 Budget Support Second Emergency Act of 2009 (D.C. Act 18-207, October 15, 2009, 56 DCR 8234).

For temporary (90 day) repeal, see § 7008 of Fiscal Year Budget Support Congressional Re-

view Emergency Amendment Act of 2009 (D.C. Act 18-260, January 4, 2010, 57 DCR 345).

**Legislative history of Law 4-17.** — For legislative history of D.C. Law 4-17, see Historical and Statutory Notes following § 47-441.

**Legislative history of Law 18-111.** — For Law 18-111, see notes following § 47-305.02.

## *Subchapter V. Amnesty.*

## § 47-451. Amnesty. [Repealed].

Repealed.

(Feb. 28, 1987, D.C. Law 6-209, § 101, 34 DCR 689; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(i), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-451.

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 105 of Multiyear Budget Spending Reduction and Support Temporary Act of 1995 (D.C. Law

10-253, March 23, 1995, law notification 42 DCR 1652).

**Legislative history of Law 6-209.** — Law 6-209, the "Tax Amnesty Act of 1986," was introduced in Council and assigned Bill No.

6-398, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 25, 1986 and December 16, 1986 respectively. Signed by the Mayor on January 8, 1987, it was assigned Act No. 6-269 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Editor's notes.** — Amnesty from tax liability for fiscal year beginning October 1, 1994.—

For temporary authorization of the Mayor to provide amnesty to a taxpayer liable for the payment of a specific tax for which a return or report was required to be filed before October 1, 1994, see § 105 of D.C. Law 10-253. Section 1301(b) of D.C. Law 10-253 provided that the act shall expire on the 225th day of its having taken effect or upon the effective date of the Multiyear Budget Spending Reduction and Support Act of 1995, whichever occurs first.

## § 47-452. Establishment and application; availability; publicity. [Repealed].

Repealed.

(Feb. 28, 1987, D.C. Law 6-209, § 201, 34 DCR 689; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(i), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-452.

**Legislative history of Law 6-209.** — For legislative history of D.C. Law 6-209, see Historical and Statutory Notes following § 47-451.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

## § 47-453. Interest. [Repealed].

Repealed.

(Feb. 28, 1987, D.C. Law 6-209, § 301, 34 DCR 689; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(j), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-453.

**Legislative history of Law 6-209.** — For legislative history of D.C. Law 6-209, see Historical and Statutory Notes following § 47-451.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Effective date.** — Section 601(b) of D.C. Law 6-209 provided that title III and sections 401, 402, 404, 405 and 406 of the act shall take effect on October 1, 1987.

**Editor's notes.** — Section 410(d) of D.C. Law 13-305 provided: "Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000."

## § 47-454. Substantial understatement penalty. [Repealed].

Repealed.

(Feb. 28, 1987, D.C. Law, 6-209, § 302, 34 DCR 689; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(j), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-454.

**Legislative history of Law 6-209.** — For legislative history of D.C. Law 6-209, see Historical and Statutory Notes following § 47-451.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Effective date.** — Section 601(b) of D.C. Law 6-209 provided that title III and sections



401, 402, 404, 405 and 406 of the act shall take effect on October 1, 1987.

**Editor's notes.** — Section 410(d) of D.C. Law 13-305 provided: "Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through

(kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000."

## § 47-455. Failure to file or pay penalty. [Repealed].

Repealed.

(Feb. 28, 1987, D.C. Law 6-209, § 303, 34 DCR 689; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(j), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-455.

**Legislative history of Law 6-209.** — For legislative history of D.C. Law 6-209, see Historical and Statutory Notes following § 47-451.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Effective date.** — Section 601(b) of D.C. Law 6-209 provided that title III and sections 401, 402, 404, 405 and 406 of the act shall take effect on October 1, 1987.

**Editor's notes.** — Section 410(d) of D.C. Law 13-305 provided: "Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000."

## § 47-456. Fraud penalty. [Repealed].

Repealed.

(Feb. 28, 1987, D.C. Law 6-209, § 304, 34 DCR 689; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(j), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-456.

**Legislative history of Law 6-209.** — For legislative history of D.C. Law 6-209, see Historical and Statutory Notes following § 47-451.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Effective date.** — Section 601(b) of D.C. Law 6-209 provided that Title III and sections 401, 402, 404, 405 and 406 of the act shall take effect on October 1, 1987.

**Editor's notes.** — Section 410(d) of D.C. Law 13-305 provided: "Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000."

## § 47-457. Garnishment. [Repealed].

Repealed.

(Feb. 28, 1987, D.C. Law 6-209, § 305, 34 DCR 689; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(j), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-457.

**Legislative history of Law 6-209.** — For legislative history of D.C. Law 6-209, see Historical and Statutory Notes following § 47-451.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Effective date.** — Section 601(b) of D.C. Law 6-209 provided that title III and sections 401, 402, 404, 405 and 406 of the act shall take effect on October 1, 1987.

**Editor's notes.** — Section 410(d) of D.C. Law 13-305 provided: "Section 406(a), (c), (j),

(m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax

years or taxable periods beginning after December 31, 2000."

## § 47-458. Deficiencies; collection. [Repealed].

Repealed.

(Feb. 28, 1987, D.C. Law 6-209, § 306, 34 DCR 689; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(j), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-458.

**Legislative history of Law 6-209.** — For legislative history of D.C. Law 6-209, see Historical and Statutory Notes following § 47-451.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Effective date.** — Section 601(b) of D.C. Law 6-209 provided that title III and sections 401, 402, 404, 405 and 406 of the act shall take effect on October 1, 1987.

**Editor's notes.** — Section 410(d) of D.C. Law 13-305 provided: "Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000."

## § 47-459. Rules. [Repealed].

Repealed.

(Feb. 28, 1987, D.C. Law 6-209, § 501, 34 DCR 689; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(j), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-459.

**Temporary Repeal of Section** For temporary (225 day) repeal of section, see § 12(d) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

**Emergency legislation.** — For temporary (90 day) repeal of section, see § 12(d) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

**Legislative history of Law 6-209.** — For legislative history of D.C. Law 6-209, see Historical and Statutory Notes following § 47-451.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Delegation of Authority.** — Delegation of authority under Law 6-209, see Mayor's Order 87-104, April 23, 1987.

**Editor's notes.** — Section 410(d) of D.C. Law 13-305 provided: "Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000."

## § 47-459.01. Amnesty. [Repealed].

Repealed.

(Sept. 26, 1995, D.C. Law 11-52, § 105, 42 DCR 3684; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(k), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-459.1.

**Emergency legislation.** — For temporary addition of section, see § 105 of the Omnibus

Budget Support Congressional Review Emergency Act of 1995 (D.C. Act 11-124, July 27, 1995, 42 DCR 4160).

**Legislative history of Law 11-52.** — Law



11-52, the "Omnibus Budget Support Act of 1995," was introduced in Council and assigned Bill No. 11-218, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on April 19, 1995, and June 6, 1995, respectively. Signed by the

Mayor on July 13, 1995, it was assigned Act No. 11-94 and transmitted to both Houses of Congress for its review. D.C. Law 11-52 became effective on September 26, 1995.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

### *Subchapter VI. Tax Revision Commission.*

## **§ 47-461. Council findings.**

The Council of the District of Columbia finds that:

(1) Many District residents and businesses are already overburdened by current taxation levels.

(2) The health of the District's tax base and its potential for economic growth require the maintenance of a competitive tax burden between the District and neighboring jurisdictions.

(3) Present tax policies and laws are in need of evaluation with respect to their equitability, productivity, efficiency, and effect on economic growth;

(4) New or broadened revenue sources must be explored as possible substitutes for current uncompetitive rates to meet the District's revenue needs, but they must be evaluated carefully in terms of their equity and their effect on economic growth.

(5) The last comprehensive study of District taxes occurred in 1998, and more recent tax changes have been somewhat piecemeal and sometimes made without regard to the system as a whole or knowledge of long-term effects.

(June 13, 1996, D.C. Law 11-143, § 2, 43 DCR 2170; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Sept. 14, 2011, D.C. Law 19-21, § 7062(a), 58 DCR 6226.)

**Prior Codifications.** — 1981 Ed., § 47-461.

**Effect of amendments.** — D.C. Law 19-21, in par. (5), substituted "in 1998" for "in 1977".

**Emergency legislation.** — For temporary addition of sections 47-461 through 47-464, see § 2-5 of the Tax Revision Commission Establishment Emergency Act of 1996 (D.C. Act 11-259, April 18, 1996, 43 DCR 2166).

**Legislative history of Law 11-143.** — Law 11-143, the "Tax Revision Commission Establishment Act of 1996," was introduced in Council and assigned Bill No. 11-383, which was referred to the Committee of the Whole. The

Bill was adopted on first and second readings on March 5, 1996, and April 2, 1996, respectively. Signed by the Mayor on April 18, 1996, it was assigned Act No. 11-383 and transmitted to both Houses of Congress for its review. D.C. Law 11-143 became effective on June 13, 1996.

**Legislative history of Law 19-21.** — For history of Law 19-21, see notes under § 47-305.02.

**Short title.** — Short title: Section 7061 of D.C. Law 19-21 provided that subtitle G of title VII of the act may be cited as "Tax Revision Commission Reestablishment Act of 2011".

## **§ 47-462. Tax Revision Commission — Established; submission of recommendations.**

(a) There is established a Tax Revision Commission ("Commission") with the purpose of preparing comprehensive recommendations to the Council and the Mayor which:

- (1) Provide for fairness in apportionment of taxes;
- (2) Broaden the tax base;

(3) Make the District's tax policy more competitive with surrounding jurisdictions;

(4) Encourage business growth and job creation; and

(5) Modernize, simplify, and increase transparency in the District's tax code.

(b) Specific functions of the Commission shall include the following:

(1) To analyze the District's current tax system in terms of revenue productivity and stability, efficiency, equity, simplicity of administration, and effect upon the District's economy;

(2) To propose innovative solutions for meeting the District's projected revenue needs while recommending potential modifications to tax rates;

(3) To identify economic activities which are either beneficial or detrimental to the District's economy and which should be either encouraged or discouraged through tax policy;

(4) To recommend changes in the District's current tax policies and laws;

(5) To establish criteria and a conceptual framework for evaluating current and future taxes; and

(6) To identify unused and duplicative tax credits and tax abatements and recommend policy changes to improve the way the District utilizes tax expenditures.

(c) The Commission shall submit its recommendations in the form of a report or reports similar in form and scope as those transmitted by the District of Columbia Tax Revision Commission by letter dated June 2, 1998, and entitled "Taxing Simply, Taxing Fairly". The report or reports shall be accompanied by draft legislation, regulations, amendments to existing regulations, or other specific steps for implementing the recommendations.

(d) The Commission shall submit to the Council and the Mayor its final report no later than 9 months after the Commission's appointment.

(June 13, 1996, D.C. Law 11-143, § 3, 43 DCR 2170; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Sept. 14, 2011, D.C. Law 19-21, § 7062(b), 58 DCR 6226.)

**Prior Codifications.** — 1981 Ed., § 47-462.

**Effect of amendments.** — D.C. Law 19-21 rewrote subsecs. (a)(1), (b)(6), and (d); in subsec. (a)(2), deleted "and" from the end; added subsecs. (a)(4) and (5); in subsec. (b)(2), substituted "recommending potential modifications to tax rates" for "enabling the possibility that general rates might be reduced"; and, in subsec. (c), substituted "June 2, 1998, and entitled 'Taxing Simply, Taxing Fairly' for 'De-

cember 5, 1977, pursuant to Council Resolution 1-149".

**Emergency legislation.** — See Historical and Statutory Notes following § 47-461.

**Legislative history of Law 11-143.** — For legislative history of D.C. Law 11-143, see Historical and Statutory Notes following § 47-461.

**Legislative history of Law 19-21.** — For history of Law 19-21, see notes under § 47-305.02.

## § 47-463. Tax Revision Commission — Composition; selection of Director.

(a) The Commission shall be a nonpartisan body composed of 11 members, including a Chairperson.

(b) The members of the Commission shall be appointed as follows:

(1) The Mayor shall appoint 5 members, of whom:



(A) Three shall be experts in the field of taxation, such as tax lawyers or public finance economists;

(B) One shall be a community representative, such as a leader of a public-interest group, labor union, civic association, or a tenant or housing association; and

(C) One shall be a representative of one or more important sectors of the business community, such as real estate, banking, retail, or high technology.

(2) The Chairman of the Council shall appoint 5 members, of whom:

(A) Three shall be experts in the field of taxation, such as tax lawyers or public finance economists;

(B) One shall be a community representative, such as a leader of a public-interest group, labor union, civic association, or a tenant or housing association; and

(C) One shall be a representative of one or more important sectors of the business community, such as real estate, banking, retail, or high technology.

(3) The Chief Financial Officer, or his or her designee, shall be an ex officio member of the Commission.

(4) The Chairman of the Council shall appoint one member of the Commission as the Chairperson of the Commission.

(c) All appointments shall be made within 60 days of [September 14, 2011]. A vacancy shall be filled in the same manner in which the initial appointment was made.

(d) The Commission, by a majority vote, shall select a Director who shall perform the duties required for the day-to-day functioning of the Commission as considered necessary by the members, including appointment of staff, selection of consultants, and the administration of meetings and report production.

(e) Each member of the Commission shall serve without compensation. Each member may be reimbursed for actual expenses pursuant to § 1-611.08.

(f) Members of the Commission shall act with the utmost integrity and professionalism. Each member shall avoid conflicts of interest and may seek the advice of the Office of the Attorney General to ensure that his or her duties are being discharged ethically.

(June 13, 1996, D.C. Law 11-143, § 4, 43 DCR 2170; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Sept. 14, 2011, D.C. Law 19-21, § 7062(c), 58 DCR 6226.)

**Prior Codifications.** — 1981 Ed., § 47-463.

**Effect of amendments.** — D.C. Law 19-21 rewrote the section, which formerly read:

“(a) The Commission shall be a nonpartisan Commission composed of 17 members drawn from experts in the field of taxation such as tax lawyers and public finance economists; several community representatives such as members of labor unions, public interest groups, civic associations, and tenant and housing associations; and representatives of important sectors of the business community such as real estate, banking, retailing, and public utilities.

“(b) Eight members of the Commission shall be appointed by the Mayor, and 9 members shall be appointed by the Council. The Council shall appoint the Chairperson of the Commission from among the Council-appointed members of the Commission. All appointments shall be made within 60 days of June 13, 1996. A vacancy shall be filled in the same manner in which its initial appointment was made.

“(c) The Commission, by a vote in which a majority of the members are in the affirmative, may select a Director who shall perform the duties required for the day-to-day functioning

of the Commission as deemed necessary by the members, including, but not limited to, appointment of staff and selection of consultants.

“(d) The Commission may appoint task forces composed of representatives from the District of Columbia, the State of Maryland, and the Commonwealth of Virginia.

“(e) Each member of the Commission shall serve without compensation. Each member, however, may be reimbursed for actual expenses pursuant to section 1108 of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (§ 1-611.08).”

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2 of Tax Revision Commission Establishment Temporary Amendment Act of 1996 (D.C. Law 11-224, April 9, 1997, law notification 44 DCR 2582).

For temporary (225 day) amendment of sec-

tion, see § 2 of Tax Revision Commission Establishment Temporary Amendment Act of 1998 (D.C. Law 12-79, April 9, 1997, law notification 45 DCR 2114).

**Emergency legislation.** — See Historical and Statutory Notes following § 47-461.

For temporary amendment of section, see § 2 of the Tax Revision Commission Establishment Emergency Amendment Act of 1996 (D.C. Act 11-435, October 30, 1996, 43 DCR 6184), and § 2 of the Tax Revision Commission Establishment Congressional Review Emergency Amendment Act of 1997 (D.C. Act 12-30, March 11, 1997, 44 DCR 1902).

**Legislative history of Law 11-143.** — For legislative history of D.C. Law 11-143, see Historical and Statutory Notes following § 47-461.

**Legislative history of Law 19-21.** — For history of Law 19-21, see notes under § 47-305.02.

## § 47-464. Tax Revision Commission — Authority.

(a) The Chairperson of the Commission, or his or her designated representative, who must be a member of the Commission, shall convene all meetings of the Commission. Six members of the Commission shall constitute a quorum. Voting by proxy shall not be permitted.

(b) The Commission shall have the authority to create and operate under its own rules of procedure, consistent with this act and the Administrative Procedure Act, approved October 21, 1968 (§ 2-501 et seq.).

(c) All recommendations and reports prepared and submitted by the Commission shall be a matter of public record.

(d) The Commission, or committees thereof, may, for the purpose of carrying out the provisions of this act, hold hearings, and shall sit and act at such times and places and administer oaths as required.

(e) The Commission shall have the authority to request directly from each department, agency, or instrumentality of the District Government, and each department, agency, or instrumentality is hereby authorized to furnish directly to the Commission upon its request, any information reasonably considered necessary by the Commission to carry out its functions under this act.

(f) The Commission is authorized to use space and supplies owned or rented by the District government. The Commission is further authorized to use staff loaned from the Council or detailed by the Mayor for such purposes consistent with this act as the Commission may determine.

(g) The Commission's operations shall be funded by annual appropriations, private sector assistance, or both.

(h) If a special fund is established by the Commission for the receipt of operating donations from non-government sources, the fund shall be administered in accordance with established funding and auditing procedures of the District government. The expenditure of such donations shall not be subject to appropriation. The Commission shall keep a record, available to the public for



inspection, of all such donations and any substantial non-government in-kind contributions received. The record shall include the full name, address, and occupation or type of business of each donor. "Substantial non-government in-kind contributions" shall include any service reasonably valued at more than \$5,000 which is received from any source other than the District or federal government.

(June 13, 1996, D.C. Law 11-143, § 5, 43 DCR 2170; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Sept. 14, 2011, D.C. Law 19-21, § 7062(d), 58 DCR 6226.)

**Prior Codifications.** — 1981 Ed., § 47-464.

**Effect of amendments.** — D.C. Law 19-21, in subsec. (a), substituted "Six members" for "Seven members"; and, in subsec. (e), substituted "information reasonably considered" for "information deemed".

**Emergency legislation.** — See Historical and Statutory Notes following § 47-461.

**Legislative history of Law 11-143.** — For

legislative history of D.C. Law 11-143, see Historical and Statutory Notes following § 47-461.

**Legislative history of Law 19-21.** — For history of Law 19-21, see notes under § 47-305.02.

**References in text.** — "This act", referred to in subsections (b), (d), (e), and (f) is D.C. Law 11-143, which is codified at §§ 47-461 through 47-815.

CHAPTER 5. TAX RATES RECORDS, AND SURPLUS FUNDS.

Sec.	Sec.
47-501. Tax on real and personal property.	of federal revenue; submission of budget estimates.
47-502. Account showing receipts and disbursements of revenues and expenditures.	47-504. Authority of Council to change certain tax rates.
47-503. Disposition of excess money; collection	

§ 47-501. Tax on real and personal property.

For the purpose of defraying such expenses of the District of Columbia as Congress may from time to time appropriate for, there hereby is levied for each and every fiscal year, a tax at such rate on the real and personal property subject to taxation in the District as will, when added to the other taxes and revenues of the District, produce money enough to enable the District to pay promptly and in full all sums directed by Congress to be paid by the District, and for which appropriation has been duly made; and the Council of the District of Columbia hereby is empowered and directed to ascertain, determine, and fix, annually for real property, and at such times as it may deem necessary for personal property, such rate of taxation as will, when applied as aforesaid, produce the money needed to defray the share of the expenses of the District during the year for which the rate is fixed; provided, that the rate of taxation on personal property levied for any tax year shall apply to succeeding tax years unless the Council acts to ascertain, determine and fix a different rate of taxation thereon in accordance with the provisions of this section; and the Mayor of the District shall, in accordance with existing law, cause all such taxes and revenues to be promptly collected and, when collected, to be daily deposited in the Treasury to the credit of the District for the purposes herein set out.

(June 29, 1922, 42 Stat. 669, ch. 249; Sept. 13, 1980, D.C. Law 3-92, § 301, 27 DCR 3390; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Cross references.** — Real property tax rates, authority and procedure to establish, see § 47-811 et seq.

**Prior Codifications.** — 1981 Ed., § 47-501. 1973 Ed., § 47-501.

**Temporary Amendment of Section.** — Section 2 of D.C. Law 19-91 added the following sentence to the end of the section: "Beginning September 30, 2011, personal property tax shall be reported in the fiscal year in which it is collected."

Section 4(b) of D.C. Law 19-91 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2 of Clarification of Personal Property Tax Revenue

Reporting Emergency Act of 2011 (D.C. Act 19-233, November 21, 2011, 58 DCR 10091).

For temporary (90 day) amendment of section, see § 2 of Clarification of Personal Property Tax Revenue Reporting Congressional Review Emergency Act of 2012 (D.C. Act 19-307, February 21, 2012, 59 DCR 1682).

**Legislative history of Law 3-92.** — Law 3-92, the "District of Columbia Revenue Act of 1980," was introduced in Council and assigned Bill No. 3-285, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 17, 1980 and July 1, 1980, respectively. Signed by the Mayor on July 9, 1980, it was assigned Act No. 3-214 and transmitted to both Houses of Congress for its review.



## CASE NOTES

## ANALYSIS

**Computers.**

Construction with other laws.

In general.

**Computers.**

Where out of total purchase price of \$290,000 for data processing unit, \$106,000 represented the costs of the services rendered by computer manufacturer in the development of tax program package, District of Columbia Tax Court properly allocated 50% of the values between the "hardware," which was subject to District of Columbia tangible personal property tax, and 50% to the "software" which was intangible and not subject to the tax. D.C. Code § 47-501. *District of Columbia v. Universal Computer Associates, Inc.*, 465 F.2d 615, 1972 U.S. App. LEXIS 8994 (C.A.D.C. 1972).

Computer "software," which was valuable only because of the intangible information made on the computer punch cards, represented intangible values and the "software" was not subject to the District of Columbia tangible personal property tax. D.C. Code § 47-501. *District of Columbia v. Universal Computer Associates, Inc.*, 465 F.2d 615, 1972 U.S. App. LEXIS 8994 (C.A.D.C. 1972).

**Construction with other laws.**

Sections 47-501 and 47-504 preceded chronologically the enactment of the Self-Government Act and therefore cannot be read as having any effect on the delegation of legisla-

tive authority under D.C. Code § 1-204. *Sprint Communications Co. v. Kelly*, 642 A.2d 106, 1994 D.C. App. LEXIS 31 (1994), writ of certiorari denied by 513 U.S. 916, 115 S. Ct. 294, 130 L. Ed. 2d 208, 1994 U.S. LEXIS 6972, 63 U.S.L.W. 3267 (1994).

**In general.**

Personalty of a bankrupt, in the hands of trustee in bankruptcy on July 1, 1954, was subject to district's personal property tax for the fiscal year commencing on that date, notwithstanding the fact that such date of assessment was subsequent to the date of bankrupt's adjudication in bankruptcy, and that the trustee did not conduct any business. D.C. Code 1951, §§ 47-101, 47-501, 47-1203, 47-1206. *Brown v. Collector of Taxes for District of Columbia*, 247 F.2d 786, 1957 U.S. App. LEXIS 4421 (C.A.D.C. 1957).

Consideration of only physical annexation and business purpose of alleged fixture in determining whether it was taxable as personal property was proper, and thus imposition of personal property tax on bar owner's bars, bar sinks, draft beer system, back bar, booth dividers, dishwasher and drains, garbage disposal, stainless steel shelves, stainless steel sinks, pot rack, deep fryer, grill and range, hood and exhaust system, and floor carpet was proper even though taxpayer's intent in installing such equipment was not considered. D.C. Code 1981, §§ 47-501, 47-1507; Tax Rule 11(d). *Donahue v. District of Columbia*, 451 A.2d 85, 1982 D.C. App. LEXIS 445 (1982).

## § 47-502. Account showing receipts and disbursements of revenues and expenditures.

The Treasury Department shall accurately keep an account showing all receipts and disbursements relative to the revenues and expenditures of the District of Columbia, and shall also show the sources of the revenue, the purpose of expenditure, and the appropriation under which the expenditure is made; and any and all revenue derived from property not owned wholly or in part by the District of Columbia, as between the United States and the District of Columbia, shall be the property of the United States.

(June 29, 1922, 42 Stat. 669, ch. 249; Aug. 17, 1937, 50 Stat. 693, ch. 690, title X, § 1; May 16, 1938, 52 Stat. 375, ch. 223, § 8; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-503.

**Prior Codifications.** — 1981 Ed., § 47-502. 1973 Ed., § 47-502.

### § 47-503. Disposition of excess money; collection of federal revenue; submission of budget estimates.

If, for any fiscal year, the District of Columbia should raise and deposit in the Treasury to its credit, more money derived from taxation, privileges, and other sources authorized in this chapter than may be necessary for the purposes therein, such excess shall be available the succeeding year, in the discretion of the Council of the District of Columbia, either for the purpose of meeting the expense chargeable to the District of Columbia and/or for the further purpose of enabling the Council to fix a lower rate of taxation for the year following the one in which said excess accrued than it might otherwise be able to do; and the agencies through which the District of Columbia collects its revenue derived from taxation shall also collect for the United States any revenues which by § 47-502 become the sole property of the United States, and said revenues shall be deposited in the Treasury of the United States as "miscellaneous receipts"; and the Mayor of the District of Columbia shall not be restricted in submitting to the Office of Management and Budget his estimates of the needs of the District, but he shall, as near as may be, bring them within the probable aggregate of the fixed proportionate appropriations to be paid by the United States and the District of Columbia.

(June 29, 1922, 42 Stat. 669, ch. 249; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-503. 1973 Ed., § 47-503.

**Change in Government.** — This section originated at a time when local government powers were delegated to a Board of Commissioners of the District of Columbia (see Acts Relating to the Establishment of the District of Columbia and its Various Forms of Governmental Organization in Volume 1). Section 402(364) of Reorganization Plan No. 3 of 1967 (see Reorganization Plans in Volume 1) transferred all of the functions of the Board of Commissioners under this section to the District of Columbia Council, subject to the right of the Commis-

sioner as provided in § 406 of the Plan. The District of Columbia Self-Government and Governmental Reorganization Act, 87 Stat. 818, § 711 (D.C. Code, § 1-207.11), abolished the District of Columbia Council and the Office of Commissioner of the District of Columbia. These branches of government were replaced by the Council of the District of Columbia and the Office of Mayor of the District of Columbia, respectively. Accordingly, and also pursuant to § 714(a) of such Act (D.C. Code, § 1-207.14(a)), appropriate changes in terminology were made in this section.

### § 47-504. Authority of Council to change certain tax rates.

In order to provide for additional revenue to meet additional expenditures resulting from a compensation increase adopted for persons paid under the District of Columbia Teachers' Salary Act of 1955 (§§ 38-1962 through 38-1981) [repealed], policemen, and firemen, the Council, in accordance with § 406 of Reorganization Plan No. 3 of 1967, is authorized to change the rate of the taxes imposed under:

- (1) The District of Columbia Income and Franchise Tax Act of 1947 (Chapter 18 of this title);
- (2) The District of Columbia Sales Tax Act (Chapter 20 of this title);
- (3) The District of Columbia Use Tax Act (Chapter 22 of this title);
- (4) The District of Columbia Cigarette Tax Act (Chapter 24 of this title);



(5) The District of Columbia Alcoholic Beverage Control Act (Chapter 1 of Title 25);

(6) The Act of April 23, 1924 (relating to motor vehicle fuel tax) (Chapter 23 of this title);

(7) Title V of the District of Columbia Revenue Act of 1937 (Chapter 19 of this title [repealed]); and

(8) Any other act of Congress imposing a tax solely in the District of Columbia.

(Sept. 3, 1974, 88 Stat. 1064, Pub. L. 93-407, title IV, § 471; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Cross references.** — Real property taxes, establishment of rates, see § 47-812.

**Prior Codifications.** — 1981 Ed., § 47-504. 1973 Ed., § 47-504.

**References in text.** — Sections 38-1962 through 38-1981, referred to in the introductory language, were repealed by § 11 of D.C. Law 4-78, effective March 16, 1982.

Title 25, referred to in paragraph (5) of this

section, was amended and enacted by D.C. Law 13-298, effective May 3, 2001. Chapter 1 of former Title 25 embraced all sections in that title. For current provisions of Title 25, see § 25-101 et seq.

Chapter 19 of this title, referred to in (7), was repealed by § 24 of D.C. Law 6-168, effective February 24, 1987.

#### CASE NOTES

##### **Construction with other laws.**

Sections 47-501 and 47-504 preceded chronologically the enactment of the Self-Government Act and therefore cannot be read as having any effect on the delegation of legislative authority under D.C. Code § 1-204. *Sprint*

*Communications Co. v. Kelly*, 642 A.2d 106, 1994 D.C. App. LEXIS 31 (1994), writ of certiorari denied by 513 U.S. 916, 115 S. Ct. 294, 130 L. Ed. 2d 208, 1994 U.S. LEXIS 6972, 63 U.S.L.W. 3267 (1994).

CHAPTER 6. TAX ASSESSOR.

Sec.

47-601. Preparation of annual tax ledgers and statement of assessment and taxes.

Sec.

47-602. Power to administer oaths or affirmations and summon witnesses; examination of witnesses.

**§ 47-601. Preparation of annual tax ledgers and statement of assessment and taxes.**

The Assessor of the District of Columbia shall be charged with the duty of preparing the annual tax ledgers on a numerical system, which shall be finished or completed at such time as will allow preparation by him of tax bills for collection purposes. Upon the completion of the tax ledgers, said Assessor shall prepare a statement showing the total amount of the assessment of both real and personal property, and the total amount of taxes to be collected under said assessment; which statement shall be receipted by the Collector of Taxes in triplicate, and said Collector shall be held responsible under his bond for all such taxes, except such as he may not be able to collect after fully complying with the requirements of law. The original receipt of said assessment and taxes shall be forwarded by the Assessor to the General Accounting Office, the duplicate to the Auditor of the District of Columbia, and the triplicate shall be retained by the Collector.

(Mar. 31, 1892, 27 Stat. 13, ch. 30; June 10, 1921, 42 Stat. 24, ch. 18, § 304; July 3, 1926, 44 Stat. 834, ch. 759, § 8; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Cross references.** — Assessor of taxes, enrolled militia list, duty to create, see § 49-403.

Competency of witnesses, assessment officials as expert witnesses in condemnation proceedings, see § 14

**Prior Codifications.** — 1981 Ed., § 47-601. 1973 Ed., § 47-601.

**Editor's notes.** — Office of Assessor abolished: See Historical and Statutory Notes following § 47-413.

Office of Collector of Taxes abolished: See Historical and Statutory Notes following § 47-401.

**§ 47-602. Power to administer oaths or affirmations and summon witnesses; examination of witnesses.**

The Assessor of the District of Columbia and each member of said Board of Assistant Assessors in the discharge of any of the duties devolved upon him or them, or the Board of Real Property Assessments and Appeals, may administer all necessary oaths or affirmations. The Assessor of the District of Columbia, or in his absence the temporary chairman of said Board, shall have power to summon the attendance of any person before said Board to be examined under oath touching such matters and things as the Board of Assistant Assessors or the said Board of Real Property Assessments and Appeals may deem advisable in the discharge of their duties; and any member of the Metropolitan Police force of the District of Columbia may serve subpoenas in his behalf. Such fees shall be allowed witnesses so examined, to be paid out of the contingent fund of the Mayor of the District of Columbia, as are allowed in civil actions before



the Superior Court of the District of Columbia. Any person summoned and examined as aforesaid who shall knowingly make false oath or affirmation shall be guilty of perjury, and upon conviction thereof be punished according to the laws in force for the punishment of perjury.

(Aug. 14, 1894, 28 Stat. 285, ch. 287, § 13; June 25, 1936, 49 Stat. 1921, ch. 804; June 25, 1948, 62 Stat. 991, ch. 646, § 32(b); May 24, 1949, 63 Stat. 107, ch. 139, § 127; July 29, 1970, 84 Stat. 573, Pub. L. 91-358, title I, § 155(c)(45); Mar. 17, 1993, D.C. Law 9-241, § 4, 40 DCR 629; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 8, 2011, D.C. Law 18-363, § 3(g)(1), 58 DCR 963.)

**Cross references.** — Board of real property assessments and appeals, establishment and functions, see § 47-825.01.

Real property assessment and tax, violations of assessment provisions, see § 47-828.

Financial institutions, subject to applicable real property tax provisions, see § 47-2514.

**Prior Codifications.** — 1981 Ed., § 47-602. 1973 Ed., § 47-606.

**Effect of amendments.** — D.C. Law 18-363 substituted "Real Property Tax Appeals Commission for the District of Columbia" for "Board of Real Property Assessments and Appeals".

**Legislative history of Law 9-241.** — Law 9-241, the "Real Property Tax Assessment Appeal Process Revision Amendment Act of 1992," was introduced in Council and assigned Bill No. 9-199, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on December 1, 1992, and December 15, 1992, respectively. Signed by the Mayor on January 5, 1993, it was assigned Act No. 9-375 and transmitted to both Houses of Congress for its review. D.C. Law 9-241 became effective on March 17, 1993.

**Legislative history of Law 18-363.** — For history of Law 18-363, see notes under § 47-412.01.

**Editor's notes.** — Board of Assistant Assessors abolished: The Board of Assistant Assessors was abolished and the functions thereof transferred to the Board of Commissioners of the District of Columbia by Reorganization Plan No. 5 of 1952. The executive functions of the Board of Commissioners were transferred to the Commissioner of the District of Columbia by § 401 of Reorganization Plan No. 3 of 1967. All functions of the Office of the Assessor and of the Board of Assistant Assessors, including the functions of all officers, employees and subordinate agencies were transferred to the Department of General Administration by Reorganization Order No. 3 of the Board of Commissioners, dated August 28, 1952. Reorganization Order No. 20 dated November 10, 1952, abolished the Office of Assessor and the Board of Assistant Assessors and transferred

their functions to the Finance Office in the Department of General Administration. The same Order established in the Finance Office an Office of the Assessor headed by an Assessor, and established under the Assessor a Board of Assistant Assessors (Real Estate), a Board of Personal Tax Appraisers, and a Board of Equalization and Review. Reorganization Order No. 20 was superseded and replaced, and the Offices and Boards established thereby were abolished, by Organization Order No. 121, dated December 12, 1957. This Order continued the Finance Office, under the Department of General Administration, composed of the Office of the Finance Officer, Property Tax Division, Revenue Division, Treasury Division, Accounting Division, and Data Processing Division, and also established a Board of Equalization and Review. Organization Order No. 121 was revoked by Organization Order No. 3, dated December 13, 1967, Part IVC of which prescribed the functions of the Finance Office within the newly established Department of General Administration and also established a Board of Equalization and Review in the Finance Office, composed of the Finance Officer as Chairman, and 2 or more qualified persons who are conversant with real estate values in the District of Columbia, to be designated by the Finance Officer with the approval of the Director of General Administration. Under the provisions of the Order, the Board of Equalization and Review was empowered to review and equalize real estate assessments, hear complaints against real estate assessments and take appropriate action, and to transmit equalized assessments to the Commissioner for approval. Functions of the Finance Office as stated in Part IVC of Organization Order No. 3 were transferred to the Director of the Department of Finance and Revenue by Commissioner's Order No. 69-96, dated March 7, 1969. The latter Order also provided that the Director of the Department of Finance and Revenue serve on the Board of Equalization and Review (now the Board of Real Property Assessments and Appeals).

Office of Assessor abolished: See Historical  
and Statutory Notes following § 47-413.



## CHAPTER 7. DESIGNATION OF REAL PROPERTY FOR ASSESSMENT AND TAXATION.

Sec.	Sec.
47-701. General system to be used — Numbering of squares, lots, blocks, or parcels; record.	Numbering of blocks, squares, lots, or parcels.
47-702. General system to be used — Designation to be official for collection purposes.	47-706. System to be used outside City — Plat books.
47-703. General system to be used — Daily transcript.	47-707. System to be used outside City — Daily transcripts.
47-704. System to be used outside City — In general.	47-708. System to be used outside City — Consideration of designation for collection purposes.
47-705. System to be used outside City —	47-709. Sale of federal property.

### § 47-701. General system to be used — Numbering of squares, lots, blocks, or parcels; record.

(a) For the purposes of facilitating assessment and taxation of real estate in the District of Columbia, the following system of designating the several parcels of land therein is hereby prescribed, and every designation given in conformity with said system shall be a sufficient description of the parcel of land to which it relates, for all purposes of assessment and collection of taxes and assessments of every kind:

(1) Each square in the City of Washington shall bear a number or other designation that will distinguish it from every other square in said City;

(2) Each lot or parcel of ground in each such square shall bear a number or other designation that will distinguish it from every other lot or parcel of ground in such square;

(3) Each block in each subdivision in said District outside of the limits of the City of Washington shall bear a number that will distinguish it from every other such block;

(4) Each lot or parcel of land in each such block shall bear a number that will distinguish it from every other lot therein; and

(5) Each piece or parcel of unsubdivided land and each parcel of land deeded by metes and bounds in said District shall have a distinctive designation.

(b) As nearly as practicable, in the judgment of the Mayor of the District of Columbia, the numbers in each of the aforesaid squares, blocks, or parcels of land required to be numbered shall be in a regularly increasing numerical sequence and order, beginning with the lowest number practicable; and, in case of the lots, shall commence at the same relative location in each of the squares, blocks, or parcels of land, and be continued in the same relative order.

(c) It shall be the duty of the Mayor to cause a record of the designations of the several aforesaid parcels of land to be made in accordance with the foregoing system, in the Office of the Surveyor of said District; and hereafter it shall be the duty of the Surveyor, in giving numbers to blocks or lots of future subdivisions, to be governed by said system.

(Mar. 3, 1899, 30 Stat. 1376, ch. 457, § 1; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-702.

**Prior Codifications.** — 1981 Ed., § 47-701. 1973 Ed., § 47-401.

## § 47-702. General system to be used — Designation to be official for collection purposes.

The designation as prescribed in § 47-701 to each of said lots or parcels of land, which they shall respectively bear on the records of the Assessor of said District at the time said lots or parcels become subject to sale for arrears of any tax or assessment, shall be the official designation of said lots or parcels of land for the enforcement of the collection of all such arrears of general taxes and assessments for the tax year in which the said designation shall be given, and until such designation be changed pursuant to law.

(Mar. 3, 1899, 30 Stat. 1377, ch. 457, § 2; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-702. 1973 Ed., § 47-402.

ished: See Historical and Statutory Notes following § 47-413.

**Editor's notes.** — Office of Assessor abol-

## § 47-703. General system to be used — Daily transcript.

The Mayor of the District of Columbia shall cause to be made a daily transcript, and entry on the records of said Assessor, of the designations of lots or parcels of land in said District appearing in instruments of conveyance received for record in the Office of the Recorder of Deeds, and the designations of lots or parcels of land in said District transferred by probated wills; and the person or persons whom the Mayor of said District may designate for the purpose of making such transcript shall for this purpose at all times during office hours have full access to the records of the Recorder of Deeds and the Register of Wills of said District; and the Assessor shall daily furnish the Surveyor with a copy of such transcript.

(Mar. 3, 1899, 30 Stat. 1377, ch. 457, § 3; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-703. 1973 Ed., § 47-403.

ished: See Historical and Statutory Notes following § 47-413.

**Editor's notes.** — Office of Assessor abol-

### CASE NOTES

#### Purpose.

Statute requiring Commissioner of District of Columbia to cause to be made daily transcript and entry on records of assessor of designation of real estate in District appearing in instruments of conveyance received for record, and designations of real estate in District trans-

ferred by probate of wills, was intended to require District merely to improve method of lot description and is not designed to create rights in those to whom property is transferred by will. D.C. Code § 47-403. *Watson v. Scheve*, 424 A.2d 1089, 1980 D.C. App. LEXIS 422 (1980).



**§ 47-704. System to be used outside City — In general.**

For the purpose of facilitating the assessment and taxation of real property in the territory within the limits of the District of Columbia lying outside of the City of Washington the following system of designating the several subdivisions, blocks, lots, and parcels of land is hereby prescribed, and each and every designation made or given in conformity with said system shall be deemed a sufficient description of the property to which it relates for all purposes of assessment and the collection of taxes and assessments of every kind.

(Feb. 23, 1905, 33 Stat. 737, ch. 735, § 1; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-708.

**Prior Codifications.** — 1981 Ed., § 47-704.  
1973 Ed., § 47-404.

**§ 47-705. System to be used outside City — Numbering of blocks, squares, lots, or parcels.**

The Mayor of the District of Columbia is hereby authorized and directed to cause to be given numbers to all of said blocks or squares, lots or parcels of land as said blocks, squares, lots, or parcels of land have been formed by the highway extension plan, of record on February 23, 1905, in the Office of Surveyor of the District of Columbia, and subdivisions existing on February 23, 1905, and to place the numbers so given upon the said highway extension plan; provided, that in all cases where 2 or more blocks or parts of contiguous existing subdivisions are surrounded as a group by existing streets or roads, or by proposed streets of the highway extension plan, such group shall be numbered as a block or square upon the recorded plats of the highway extension plan; provided further, that where lots are numbered in duplicate in any block or square which includes parts of 2 or more existing subdivisions, new lot numbers shall be given said lots numbered in duplicate, and new lot numbers shall also be given to all parts of lots remaining after the extension of streets or alleys by dedication, condemnation, or purchase, whereby parts of lots have become public property; provided further, that new lot numbers shall also be given to all parts of original and subdivided lots existing on February 23, 1905, on the records of the Assessor and the Surveyor of the District of Columbia.

(Feb. 23, 1905, 33 Stat. 737, ch. 735, § 2; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-705.

1973 Ed., § 47-405.

**§ 47-706. System to be used outside City — Plat books.**

The Mayor of the District of Columbia shall cause to be prepared a series of volumes of plats, on a scale of 100 feet to the inch, embracing all the land in said District outside the City of Washington, these plats to show at all times the separate parcels of land created by subdivisions, sales, wills, condemna-

tions, dedications, decrees of court, or otherwise, each with its distinctive number. Said books shall be kept in the Office of the Surveyor of said District, and shall be numbered according to the first and last page numbers of each volume, the pages being numbered continuously, and indefinitely rising in numbers as new books are opened to record changes in the outlines of parcels from any cause.

(Feb. 23, 1905, 33 Stat. 738, ch. 735, § 3; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-706.  
1973 Ed., § 47-406.

**Editor's notes.** — Delegation of functions: Reorganization Order No. 27, dated April 3, 1953, as amended April 10, 1953, provided that the functions of the Surveyor described in this section and § 47-707 would continue to be delegated to the Office of the Assessor, Finance Office, Department of General Administration. The Finance Office was reconstituted by Organization Order No. 121, dated December 12, 1957, and the function of preparing and main-

taining tax maps and other necessary records was delegated to the Property Tax Division. Organization Order No. 121 was repealed and replaced by Organization Order No. 3, dated December 13, 1967, Part IVC of which established a new Finance Office and delegated the aforesaid function to the Property Tax Division thereof. Functions of the Finance Office as set forth in Part IVC of Organization Order No. 3 were transferred to the Director of the Department of Finance and Revenue by Commissioner's Order No. 69-96, dated March 7, 1969.

## § 47-707. System to be used outside City — Daily transcripts.

For the purpose of keeping said books constantly current and up to date, the Mayor shall cause an employee of the Surveyor's office to make daily transcripts of all deeds of conveyance, wills, condemnations, decrees, and other instruments or proceedings by which boundaries are changed; for which purpose, such employee of the Surveyor's office shall at all times during business hours have full and free access to all records of the Recorder of Deeds, Register of Wills, Clerk of the United States District Court for the District of Columbia, Clerk of the Superior Court of the District of Columbia, Marshal, and other officials; and the Surveyor shall furnish to the Assessor a copy of such transcript, from which a duplicate set of taxation and assessment plat books shall be maintained by the said assessor; provided, that the current series of taxation and assessment plat books in the Surveyor's office shall be the standard book of reference for all purposes of assessment and taxation by all departments of the government of the District of Columbia.

(Feb. 23, 1905, 33 Stat. 738, ch. 735, § 4; June 25, 1936, 49 Stat. 1921, ch. 804; June 25, 1948, 62 Stat. 991, ch. 646, § 32(b); May 24, 1949, 63 Stat. 107, ch. 139, § 127; July 29, 1970, 84 Stat. 582, Pub. L. 91-358, title I, § 161(f); enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-707.  
1973 Ed., § 47-407.

**Editor's notes.** — Delegation of functions:

See Historical and Statutory Notes following § 47-706.



## § 47-708. System to be used outside City — Consideration of designation for collection purposes.

The designation given as hereinbefore prescribed in § 47-704 to each block or square, lot or parcel of land, respectively appearing on the records of the Assessor of the District of Columbia at the time any assessment or tax is levied for which such property may become subject to sale, shall be a complete and official designation of said block or square, lot or parcel of land, for the purpose of the collection of taxes or assessments of any kind, and the designations so given shall be considered good and sufficient descriptions in any advertisements of such property for sale for delinquent taxes or assessments.

(Feb. 23, 1905, 33 Stat. 738, ch. 735, § 5; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-708. 1973 Ed., § 47-408.

## § 47-709. Sale of federal property.

It shall be the duty of the Administrator of General Services, within 90 days after the sale of any lots or squares belonging to the United States in the City of Washington, to report the fact to the proper officers of the District, giving the date of sale, the number of the lot and square, and the name of the purchaser; and such lots or squares shall be liable to taxation by the District from the day of sale.

(R.S., D.C., § 143; Feb. 26, 1925, 43 Stat. 983, ch. 339, § 3; Mar. 2, 1934, 48 Stat. 389, ch. 38, § 1; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Cross references.** — Business improvement districts, “assessed value” defined, see § 2-1215.02.

**Prior Codifications.** — 1981 Ed., § 47-709. 1973 Ed., § 47-409.

**Effect of amendments.** — D.C. Law 14-213 validated a previously made technical correction in the table of contents.

**Legislative history of Law 14-213.** — For Law 14-213, see notes following § 47-820.

**Transfer of Functions.** — The Office of Public Buildings and Grounds under the direction of the Chief of Engineers of the Army was abolished and the functions thereof transferred to the Director of Public Buildings and Public Grounds of the National Capital by the Act of February 26, 1925, 43 Stat. 983, ch. 339, § 3.

The latter agency was abolished and its functions transferred to the Office of National Parks, Buildings, and Reservations by Executive Order 6166, June 10, 1933. Act of March 2, 1934, 48 Stat. 389, ch. 38, § 1, provided that the Office of National Parks, Buildings, and Reservations would be known as the National Park Service. The functions of the National Park Service in the District of Columbia regarding public buildings were transferred to the Public Buildings Administration by Reorganization Plan No. 1 of 1939. The Public Buildings Administration was abolished and its functions subsequently transferred to the Administrator of General Services by §§ 1 and 2 of Reorganization Plan No. 18 of 1950.

## CHAPTER 8. REAL PROPERTY ASSESSMENT AND TAX.

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### *Subchapter II. Authority and Procedure to Establish Real Property Tax Rates*

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## REAL PROPERTY ASSESSMENT AND TAX

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*Subchapter I. General Provisions.*

**§ 47-801. Declaration of purpose.**

It is the intent of Congress to revise the real property tax in the District of Columbia to achieve the following objectives:

- (1) Equitable sharing of the financial burden of the government of the District of Columbia;
- (2) Full public information regarding assessments and appeal procedures;
- (3) Promotion of economic activity, diversity of land use, and preservation of the character of the District of Columbia;



(4) Assurance that shifts in the tax burden on individual taxpayers will not be excessive; and

(5) Comparability of tax effort between the District of Columbia and surrounding jurisdictions in the metropolitan area and cities of comparable size.

(Sept. 3, 1974, 88 Stat. 1051, Pub. L. 93-407, title IV, § 402; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in §§ 2-1215.02 and 2-1217.01.

**Prior Codifications.** — 1981 Ed., § 47-801. 1973 Ed., § 47-621.

**Temporary Amendment of Section.** — For temporary (225 day) prohibition of increase of certain taxes, see § 2 of Economic Recovery Conformity Temporary Act of 1996 (D.C. Law 11-216, April 9, 1997, law notification 44 DCR 2574).

**Emergency legislation.** — For temporary

prohibition, on an emergency basis, of the increase in the individual income tax, the sales and use tax, and real property tax rates contingent on the enactment of an act of Congress which would reduce the percentage of federal income tax applicable solely to residents of D.C. under the Internal Revenue Code of 1986, see § 2 of the Economic Recovery Conformity Emergency Act of 1996 (D.C. Act 11-377, August 28, 1996, 43 DCR 4797).

### CASE NOTES

#### In general.

Taxpayer is entitled to refund when assessment of “real property,” i.e., combination of land and improvements thereon, is excessive, not when allocation of value between land and

improvements is erroneous. D.C. Code 1981, §§ 47-820(a), 47-821(a). *Washington Post Co. v. District of Columbia*, 596 A.2d 517, 1991 D.C. App. LEXIS 219 (1991).

## § 47-802. Definitions.

For the purposes of this chapter:

(1) The term “real property” means real estate identified by plat on the records and cadastral maps of the Office of Tax and Revenue according to square, parcel or reservation and lot, together with improvements thereon.

(2) The term “Mayor” means the Mayor of the District of Columbia established under § 1-204.21.

(3) The term “Council” means the Council of the District of Columbia established under § 1-204.01.

(4) The term “estimated market value” means 100% of the most probable price at which a particular piece of real property, if exposed for sale in the open market with a reasonable time for the seller to find a purchaser, would be expected to transfer under prevailing market conditions between parties who have knowledge of the uses to which the property may be put, both seeking to maximize their gains and neither being in a position to take advantage of the exigencies of the other.

(5) Unless otherwise provided in this chapter, the terms “owner” and “taxpayer” shall mean the following:

(A) An owner of record of real property; provided, that if real property is subject to an estate for life, or a lease or ground rent for a term (with renewals) that is at least 30 years, the holder of the possessory interest shall be deemed the owner for purposes of receiving notices of proposed assessed value, receiving bills, and filing any petition or appeal under this chapter;

provided further, that the owner of record shall also retain the right to appeal under this chapter;

(B) For purposes of receiving notices of proposed assessed value, receiving bills, and filing any petition or appeal under this chapter, the lessee or user in § 47-1005.1 [§ 47-1005.01];

(C) One or more persons whose leasehold interest in a leasehold condominium, as defined in § 45-1802(18) [§ 42-1901.02(18)], comprises the entire balance of the unexpired term;

(D) One or more persons who meet the requirements of § 47-3502(a)(2)(B) in a single family residential property; or

(E)(i) A trust beneficiary who occupies real property owned of record by the trustee, as sole owner, of an irrevocable special needs trust if the trust beneficiary has a disability as defined in section 1614(a)(3) of the Social Security Act, approved October 30, 1972 (86 Stat. 1471; 42 U.S.C. § 1382c(a)(3)).

(ii) For the purposes of sub-subparagraph (i) of this subparagraph, a trust is a special needs trust if the trust instrument:

(I) States, among its purposes, that the trust assets are not intended to be counted in determining the beneficiary's eligibility for needs-based governmental benefits; and

(II)(aa) Names the beneficiary with a disability as the sole trust beneficiary during his or her lifetime; and

(bb) Provides that the beneficiary with a disability shall not serve as trustee.

(6) The term "regulation", unless specifically identified as a regulation of the Commissioner, means a regulation of the Council enacted under § 406 of the Reorganization Plan No. 3 of 1967, and after January 2, 1975, such term means an act of the Council of the District of Columbia enacted under § 412 (and related sections) of the District of Columbia Home Rule Act [§ 1-204.12].

(7) The term "tax year" means the period beginning October 1st each year and ending September 30th each succeeding year.

(8) The term "valuation date" means January 1 of the preceding real property tax year.

(9) The term "phased-in assessed value" means the assessed value which is increased each year of a 3-year cycle in increments of one-third the assessed value.

(10) The term "3-year cycle" means 3 continuous tax years for which the assessed value of real property shall be determined.

(11) The term "limited-equity cooperative" means a cooperative required by a government agency or nonprofit organization to limit the resale price of membership shares for the purposes of keeping the housing affordable to incoming members that are low and moderate income.

(12) The term "carrying charge subsidies" means any payment, originating directly or indirectly, with a federal or local government housing agency, used to supplement the monthly housing payments of individual cooperative members.

(13) [Expired].



(14) The term “cost-of-living adjustment” for any real property tax year means an amount equal to \$64,000, multiplied by the percentage by which the Consumer Price Index for the preceding real property tax year exceeds the Consumer Price Index for the real property tax year beginning October 1, 2006. For the purposes of this paragraph, the Consumer Price Index for any real property tax year is the average of the Consumer Price Index for the Washington-Baltimore Metropolitan Statistical Area for all-urban consumers published by the Department of Labor, or any successor index, as of the close of the 12-month period ending on September 30 of such real property tax year.

(15) The term “domestic partner” shall have the same meaning as provided in § 32-701(3).

(Sept. 3, 1974, 88 Stat. 1051, Pub. L. 93-407, title IV, § 403; Dec. 18, 1979, D.C. Law 3-40, § 4, 26 DCR 1950; Nov. 17, 1981, D.C. Law 4-51, § 4, 28 DCR 4345; Oct. 8, 1983, D.C. Law 5-31, § 10(e), 30 DCR 3879; Sept. 30, 1993, D.C. Law 10-25, § 101(a), 40 DCR 5489; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Oct. 23, 1997, D.C. Law 12-40, § 101(a), 44 DCR 4859; June 9, 2001, D.C. Law 13-305, § 502(a), 48 DCR 334; Oct. 26, 2001, D.C. Law 14-42, § 10(b), 48 DCR 7612; Apr. 4, 2003, D.C. Law 14-282, § 11(e), 50 DCR 896; Mar. 13, 2004, D.C. Law 15-105, § 26(c)(1), 51 DCR 881; Oct. 20, 2005, D.C. Law 16-33, §§ 1276(a), 1297(a)(1), 52 DCR 7503; May 12, 2006, D.C. Law 16-98, § 2(a), 53 DCR 1869; Apr. 24, 2007, D.C. Law 16-305, § 73(a), 53 DCR 6198; Sept. 18, 2007, D.C. Law 17-20, § 1032(a), 54 DCR 7052; Sept. 12, 2008, D.C. Law 17-231, § 41(a), 55 DCR 6758.; Mar. 25, 2009, D.C. Law 17-353, § 215(a), 56 DCR 1117.)

**Cross references.** — Lower income homeownership tax abatement, shared equity financing agreements, compliance with guidelines for federal income tax deduction, see § 47-3503.

Real property credit line deeds of trust, “real property” defined, see § 42-2301.

**Prior Codifications.** — 1981 Ed., § 47-802. 1973 Ed., § 47-622.

**Effect of amendments.** — D.C. Law 13-305 rewrote par. (5) which had read:

“(5) The terms ‘owner’ and ‘taxpayer’ shall include 1 or more persons whose leasehold interest or interests in a leasehold condominium, as that term is defined in § 42-1901.02(18), extend for the entire balance of the unexpired term or terms. The terms ‘owner’ and ‘taxpayer’ also shall include 1 or more persons who meet the requirements of § 47-3502(2)(B) in a single family residential property.”

D.C. Law 14-42, in par. (5)(A), made a nonsubstantive change.

D.C. Law 14-282, in par. (1), substituted “and cadastral maps of the Office of Tax and Revenue according to square, parcel or reservation and lot,” for “of the District of Columbia Surveyor according to lot and square”; and in par. (5), substituted “mean” for “include” and substi-

tuted “deemed the owner for purposes of receiving notices of proposed assessed value, receiving bills, and filing any petition or appeal under this chapter” for “deemed the owner”.

D.C. Law 15-105, in the paragraph designation (5)(A), validated a previously made technical correction.

D.C. Law 16-33, in par. (5)(C), substituted a semicolon for “; or”; in par. (5)(D), substituted “; or” for a period; and added pars. (5)(E), (11), and (12).

D.C. Law 16-98 added par. (13) which defined “cost-of-living adjustment”.

D.C. Law 16-305, in par. (5)(E), substituted “has a disability” for “is a disabled person” and “beneficiary with a disability” for “disabled beneficiary”.

D.C. Law 17-20 added par. (14).

D.C. Law 17-231 added par. (15).

D.C. Law 17-353 validated a previously made technical correction in subsec. (a)(14).

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 101(a) of Omnibus Budget Support Temporary Act of 1993 (D.C. Law 10-11, August 6, 1993, law notification 40 DCR 6213).

For temporary (225 day) amendment of section, see § 2(a) of Real Property Tax Rates for Tax Year 1998 Temporary Amendment Act of

1997 (D.C. Law 12-61, March 20, 1998, law notification 45 DCR 2096).

For temporary (225 day) amendment of section, see § 2(b) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

For temporary (225 day) amendment of section, see § 12(f) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(f) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2(a) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see § 10(b) of Technical Amendments Emergency Act of 2001 (D.C. Act 14-108, August 3, 2001, 48 DCR 7622).

For temporary (90 day) amendment of section, see § 12(f) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 12(f) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(f) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

For temporary (90 day) amendment of section, see §§ 1276(a), 1277, 1278, 1297(a)(1), 1298, 1299 of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

For temporary (90 day) amendment of section, see § 1032(a) of Fiscal Year 2008 Budget Support Emergency Act of 2007 (D.C. Act 17-74, July 25, 2007, 54 DCR 7549).

**Legislative history of Law 3-40.** — For legislative history of D.C. Law 3-40, see Historical and Statutory Notes following § 47-811.

**Legislative history of Law 4-51.** — Law 4-51, the “Real Property Tax Rates for Tax Year 1982 Act of 1981,” was introduced in Council and assigned Bill No. 4-292, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on July 28, 1981 and September 15, 1981, respectively. Signed by the Mayor on September 25, 1981, it was assigned Act No. 4-88 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 5-31.** — Law 5-31, the “Lower Income Homeownership Tax

Abatement and Incentives Act of 1983,” was introduced in Council and assigned Bill No. 5-167, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 28, 1983 and July 12, 1983, respectively. Signed by the Mayor on July 21, 1983, it was assigned Act No. 5-53 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 10-25.** — Law 10-25, the “Omnibus Budget Support Act of 1993,” was introduced in Council and assigned Bill No. 10-165, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on June 1, 1993, and June 29, 1993, respectively. Signed by the Mayor on July 16, 1993, it was assigned Act No. 10-57 and transmitted to both Houses of Congress for its review. D.C. Law 10-25 became effective on September 30, 1993.

**Legislative history of Law 12-40.** — Law 12-40, the “Real Property Assessment Process and Tax Revenue Anticipation Notes Amendment Act of 1997,” was introduced in Council and assigned Bill No. 12-110, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 3, 1997, and July 1, 1997, respectively. Signed by the Mayor on July 18, 1997, it was assigned Act No. 12-144 and transmitted to both Houses of Congress for its review. D.C. Law 12-40 became effective on October 23, 1997.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Legislative history of Law 14-42.** — Law 14-42, the “Technical Correction Amendment Act of 2001,” was introduced in Council and assigned Bill No. 14-216, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on June 5, 2001, and June 26, 2001, respectively. Signed by the Mayor on July 24, 2001, it was assigned Act No. 14-107 and transmitted to both Houses of Congress for its review. D.C. Law 14-42 became effective on October 26, 2001.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-405.

**Legislative history of Law 15-105.** — For Law 15-105, see notes following § 47-340.22.

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Legislative history of Law 16-98.** — Law 16-98, the “Fiscal Year 2007 Budget Tax Relief Priorities Act of 2005,” was introduced in Council and assigned Bill No. 16-557 which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on January 4, 2006, and February 7, 2006, respectively. Signed by the Mayor on February 27, 2006, it was assigned Act No. 16-294 and transmitted to both Houses



of Congress for its review. D.C. Law 16-98 became effective on May 12, 2006.

**Legislative history of Law 16-305.** — Law 16-305, the “People First Respectful Language Modernization Act of 2006”, was introduced in Council and assigned Bill No. 16-664, which was referred to Committee on the Whole. The Bill was adopted on first and second readings on June 20, 2006, and July 11, 2006, respectively. Signed by the Mayor on July 17, 2006, it was assigned Act No. 16-437 and transmitted to both Houses of Congress for its review. D.C. Law 16-305 became effective on April 24, 2007.

**Legislative history of Law 17-20.** — For Law 17-20, see notes following § 47-305.02.

**Legislative history of Law 17-231.** — Law 17-231, the “Omnibus Domestic Partnership Equality Amendment Act of 2008”, was introduced in Council and assigned Bill No. 17-135, which was referred to the Committee on Public Safety and the Judiciary. The Bill was adopted on first and second readings on April 1, 2008, and May 6, 2008, respectively. Signed by the Mayor on June 6, 2008, it was assigned Act No. 17-403 and transmitted to both Houses of Congress for its review. D.C. Law 17-231 became effective on September 12, 2008.

**Legislative history of Law 17-353.** — For Law 17-353, see notes following § 47-308.

**Short title.** — Short title: Section 1031 of D.C. Law 17-20 provided that subtitle D of title I of the act may be cited as the “Homestead Deduction Increase Act of 2007”.

Short title of subtitle GG of title I of Law 16-33: Section 1275 of D.C. Law 16-33 provided that subtitle GG of title I of the act may be cited as the Limited-Equity Cooperative Tax Fairness Act of 2005.

**Effective date.** — Effectiveness and expiration of D.C. Law 16-98: Section 4 of D.C. Law 16-98 required that “this act shall take effect subject to the inclusion of its fiscal effect in an approved budget and financial plan; provided, that this act shall expire on October 1, 2006 if its fiscal effect has not been included in an approved budget and financial plan or in the Fiscal Year 2007 Budget Request Act of 2006.” The Budget Director of the Council of the District of Columbia has determined, as of November 2, 2007, that the fiscal effect of Law 16-98 had not been included in an approved budget and financial plan by October 1, 2006. Therefore, the amendments made to this section by Law 16-98, have expired as if never in effect.

**Delegation of Authority.** — Delegation of authority under Law 5-31, see Mayor’s Order 83-270, November 16, 1983.

**Editor’s notes.** — Applicability and expiration of subtitle GG of title I, §§ 1275 to 1279, of D.C. Law 16-33: Sections 1277 and 1278 of D.C.

Law 16-33, as amended by D.C. Law 17-219, § 7068(e), provided:

“Sec. 1277. Applicability; conditional effect.”

“(a) Section 1276 shall apply for taxable years beginning after September 30, 2005.

“(b) Repealed.

“Sec. 1278. Sunset.

“This act shall expire on August 5, 2006 if this act has not taken effect under section 1277.”

Applicability and expiration of subtitle KK of title I, §§ 1295 to 1300, of D.C. Law 16-33: Sections 1298 and 1299, as amended by D.C. Law 17-219, § 7068(l), (m) provided:

“Sec. 1298. Conditional applicability.

“(a) Sections 1296 and 1297 shall apply for taxable years beginning after September 30, 2005.

“(b) Repealed.

“Sec. 1299. Repealed.”

Applicability of D.C. Law 16-98: Section 3(a) of D.C. Law 16-98 provided: “(a) Section 2(a), (b), and (c) shall apply as of October 1, 2006.”

Mayor authorized to issue rules: Section 9 of D.C. Law 5-31 provided that the Mayor shall issue rules necessary to carry out the provisions of § 47-802(5), as amended by § 10(e) of the act.

Expiration of title I of D.C. Law 12-40: Section 105(b) of D.C. Law 12-40 provided that title I of that act shall expire 4 years from its effective date. D.C. Law 12-40 became effective on October 23, 1997.

Mayor authorized to issue rules: Section 104 of D.C. Law 12-40 provided that the Mayor may promulgate rules necessary for the implementation of this title.

Audit of triennial assessment process: Section 103 of D.C. Law 12-40 provided that at the end of the first triennial assessment cycle, an audit of the assessment process shall be conducted by an outside firm, under the auspices of the International Association of Assessing Officers, for the purposes of examining the methodology, procedures, and accuracy of real property assessments under the triennial assessment process. The results of the audit shall be provided to the Council of the District of Columbia.

Review of title I provisions after 3 years: Section 105(a) of title I of D.C. Law 12-40 provided that after 3 years, the Committee on Finance and Revenue shall review the provisions of this title and make recommendations for their continuance, amendment, or termination.

Expiration and review of title I of D.C. Law 12-40: Section 2003 of D.C. Law 14-28 repealed the expiration provision of section 105(b) and the review provision of section 105(a) of D.C. Law 12-40.

## CASE NOTES

## ANALYSIS

"Estimated market value".

"Real property".

**"Estimated market value".**

Property was correctly assessed as "commercial property" for real property tax purposes, even though owners had not obtained certificate of occupancy for commercial use, in view of evidence that property was zoned for commercial use and was actually being used for commercial purposes. D.C. Code 1981, §§ 47-802(4), 47-820(a). *District of Columbia v. Beatley*, 665 A.2d 204, 1995 D.C. App. LEXIS 188 (1995).

Willing buyer standard of determining market value of property for tax purposes does not prescribe valuation method for land as distinct from improvements thereon. D.C. Code 1981, § 47-802(4). *Wolf v. District of Columbia*, 611 A.2d 44, 1992 D.C. App. LEXIS 156 (1992).

Trial court properly refused to determine market value of office building in District of Columbia solely by reference to income from building's leases; proper application of statutory definition of "estimated market value" required consideration not merely of actual earnings but of adjusted income for figure reflecting variety of factors (including impact of current leases) that influenced market value of potential income stream of building. D.C. Code 1981, § 47-802(4). *Wolf v. District of Columbia*, 597 A.2d 1303, 1991 D.C. App. LEXIS 267 (1991).

Effect of pending application to expand historic district to taxpayer's property should have been taken into account by tax assessor in determining estimated market value of taxpayer's property; evidence that inclusion of taxpayer's property in proposed area of expansion would reduce its market value was a factor which might have had a bearing on estimated market value of real property which statute

required tax assessor to take into account. D.C. Code 1981, §§ 47-802(4), 47-820(a). *1827 M Street, Inc. v. District of Columbia*, 537 A.2d 1078, 1988 D.C. App. LEXIS 8 (1988).

Filing of application for expansion of historic district area with an executive branch agency made any information in application "available" for tax assessment purposes and required that tax assessor consider application to include taxpayer's property in the district in determining market value of property. D.C. Code 1981, §§ 47-802(4), 47-820(a, b). *1827 M Street, Inc. v. District of Columbia*, 537 A.2d 1078, 1988 D.C. App. LEXIS 8 (1988).

Anticipated filing of application to expand historic district area to taxpayer's property had no legally cognizable effect on estimated market value of property, for tax assessment purposes, and did not have to be considered by tax assessor. D.C. Code 1981, §§ 47-802(4), 47-820(a, b). *1827 M Street, Inc. v. District of Columbia*, 537 A.2d 1078, 1988 D.C. App. LEXIS 8 (1988).

For purposes of tax assessment, present estimated market value of property includes estimate of future income potential. *District of Columbia v. Washington Sheraton Corp.*, 499 A.2d 109, 1985 D.C. App. LEXIS 505 (1985).

Cost replacement approach to value should not be applied to the taxation of the land and improvements that constitute new office buildings. *Square 345 Assoc. Partnership v. District of Columbia*, 123 WLR 1697 (Super. Ct. 1995).

**"Real property".**

Taxpayer is entitled to refund when assessment of "real property," i.e., combination of land and improvements thereon, is excessive, not when allocation of value between land and improvements is erroneous. D.C. Code 1981, §§ 47-820(a), 47-821(a). *Washington Post Co. v. District of Columbia*, 596 A.2d 517, 1991 D.C. App. LEXIS 219 (1991).

## § 47-803. Additional definitions.

For the purposes of this chapter:

(1) The term "condominium" means the ownership of a single dwelling unit in a horizontal property regime.

(2) The term "cooperative housing association" means an association, whether incorporated or unincorporated, organized for the purpose of owning and operating residential real property in the District of Columbia, the shareholders or members of which, by reason of their ownership of a stock or membership certificate, a proprietary lease or other evidence of membership, are entitled to occupy a dwelling unit pursuant to the terms of a proprietary lease or occupancy agreement.

(3) The term "dwelling unit" means any room or group of rooms forming a



single unit which is used or intended to be used for living, sleeping and the preparation and eating of meals, and which is located within a building which is wholly or partially used or intended to be used for living and sleeping by human occupants.

(4) The term "horizontal property regime" shall have the meaning given that term by § 42-2003.

(5) The term "nontransient" means occupancy of a dwelling unit or units by any person(s) for a period of more than 5 consecutive days during any 1 stay in such unit(s).

(6) The term "single family residential property" means real property improved by a dwelling unit which is used exclusively for nontransient residential purposes and which contains not more than 1 dwelling unit whether as a row, detached or semidetached structure, or as a single condominium unit within a horizontal property regime.

(Mar. 3, 1979, D.C. Law 2-130, § 2, 25 DCR 2517; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Cross references.** — Lower income homeownership tax abatement, deed recordation tax, real property transfer tax, and real property tax exemptions, "cooperative housing association" defined, see § 47-3503.

Real property credit line deeds of trust, "single family residential property" defined, see § 45-2901.

**Prior Codifications.** — 1981 Ed., § 47-803. 1973 Ed., § 47-622.1.

**Legislative history of Law 2-130.** — Law 2-130, the "District of Columbia Renters and Homeowners Tax Reduction Act of 1978," was

introduced in Council and assigned Bill No. 2-318, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 27, 1978 and July 25, 1978, respectively. Signed by the Mayor on August 30, 1978, it was assigned Act No. 2-268 and transmitted to both Houses of Congress for its review.

**Editor's notes.** — Definitions applicable: The definitions in this section apply to §§ 47-812, 47-815, 47-825, 47-849, 47-850, 47-851, and 47-1806.06.

## § 47-804. Service of notice.

Notice shall be deemed to be properly served on the date when mailed by first class mail.

(June 9, 2001, D.C. Law 13-305, § 502(b)(2), 48 DCR 334.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 2(c) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) amendment of section, see § 2(b)(2) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

## *Subchapter II. Authority and Procedure to Establish Real Property Tax Rates.*

## § 47-811. Levy and disposition of tax; payment; penalty for nonpayment.

(a) Notwithstanding the provisions of § 47-501, there is hereby levied for

each fiscal year a tax on the real property in the District of Columbia at a rate or rates determined according to the provisions of this chapter. Unless otherwise provided by law, all revenues received from such tax shall be deposited, from time to time, in the Treasury of the United States, to the credit of the District of Columbia.

(b) Real property taxes shall be due and payable semiannually in 2 equal installments, the first installment to be paid on or before March 31st, and the second installment to be paid on or before September 15th; provided, that an owner shall have at least 30 days from the date of the issuance of a bill to pay an installment; provided further, that for the tax year beginning July 1, 1989, and ending June 30, 1990, the amount of the first and second installments shall reflect and be consistent with the tax rates applicable to that tax year, as provided in § 47-812(b) and (c).

(c) If at any time after the date provided by § 26(a) of this act any real property tax, or any installment of real property tax, is not paid within the time prescribed, there shall be added to the real property tax or installment a penalty of 10% of the unpaid amount plus interest on the unpaid amount at the rate of 1-½% per month or portion of a month until the real property tax or installment is paid. The amount of the unpaid real property tax, or installment of the real property tax, plus the penalty or interest due, shall constitute a delinquent tax to be collected in the manner prescribed by law.

(d) Notwithstanding subsection (b) of this section, a payment shall be due on or before September 15, 1993, equal to one-half of the tax year 1993 tax rate for the real property upon which real property tax is levied multiplied by the assessed value for tax year 1994 of the real property upon which real property tax is levied.

(Sept. 3, 1974, 88 Stat. 1052, Pub. L. 93-407, title IV, § 411; June 15, 1976, D.C. Law 1-70, title III, § 305, 23 DCR 540; Mar. 3, 1979, D.C. Law 2-138, § 5, 25 DCR 5147; Dec. 18, 1979, D.C. Law 3-40, § 3, 26 DCR 1950; Feb. 28, 1987, D.C. Law 6-212, § 20, 34 DCR 850; June 24, 1988, D.C. Law 7-129, § 3, 35 DCR 4102; Sept. 21, 1988, D.C. Law 7-143, § 3, 35 DCR 5403; Oct. 19, 1989, D.C. Law 8-46, § 2(a), 36 DCR 5783; Sept. 30, 1993, D.C. Law 10-25, § 101(b), 40 DCR 5489; Sept. 9, 1996, D.C. Law 11-153, § 2, 43 DCR 4380; Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 502(c), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-811. 1973 Ed., § 47-631.

**Effect of amendments.** — D.C. Law 13-305, in subsec. (b), substituted “; provided, that an owner shall have at least 30 days from the date of the issuance of a bill to pay an installment; provided further,” for “, except”.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 101(b) of Omnibus Budget Support Temporary Act of 1993 (D.C. Law 10-11, August 6, 1993, law notification 40 DCR 6213).

For temporary (225 day) amendment of section, see § 2(d) of Real Property Tax Clarity and Litter Control Administration Temporary

Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2(c) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 1-70.** — Law 1-70, the “Revenue Act of 1976,” was introduced in Council and assigned Bill No. 1-229, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings and reconsiderations of final reading on February 20, 1976, March 11, 1976 and April 6, 1976, respectively. Signed by the



Mayor on April 20, 1976, it was assigned Act No. 1-106 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 2-138.** — Law 2-138, the “Real Property Tax Rate Act for Tax Year 1979,” was introduced in Council and assigned Bill No. 2-369, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on October 3, 1978 and October 17, 1978, respectively. Signed by the Mayor on November 9, 1978, it was assigned Act No. 2-299 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 3-40.** — Law 3-40, the “Real Property Tax Rates for Tax Year 1980 Act,” was introduced in Council and assigned Bill No. 3-176, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on September 25, 1979 and October 9, 1979, respectively. Signed by the Mayor on October 26, 1979, it was assigned Act No. 3-112 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 6-212.** — For legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1521.

**Legislative history of Law 7-129.** — Law 7-129, the “Personal Property Tax Amendment Act of 1986 Clarification Amendment Temporary Act of 1988,” was introduced in Council and assigned Bill No. 7-457. The Bill was adopted on first and second readings on March 29, 1988 and April 19, 1988, respectively. Signed by the Mayor on May 6, 1988, it was assigned Act No. 7-178 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 7-143.** — Law 7-143, the “Personal Property Tax Amendment Act of 1986 Clarification Amendment Act of 1988,” was introduced in Council and assigned Bill No. 7-452, which was referred to the Committee on Finance and Revenue. The Bill was

adopted on first and second readings on June 14, 1988 and June 28, 1988, respectively. Signed by the Mayor on June 30, 1988, it was assigned Act No. 7-195 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 8-46.** — Law 8-46, the “Real Property Tax Rates for Tax Year 1990 Amendment Act of 1989,” was introduced in Council and assigned Bill No. 8-319, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 27, 1989 and July 11, 1989, respectively. Signed by the Mayor on August 1, 1989, it was assigned Act No. 8-79 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 10-25.** — For legislative history of D.C. Law 10-25, see Historical and Statutory Notes following § 47-802.

**Legislative history of Law 11-153.** — Law 11-153, the “Tax Lien Assignment and Sale Amendment Act of 1996,” was introduced in Council and assigned Bill No. 11-704, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on July 3, 1996, and July 17, 1996, respectively. Signed by the Mayor on July 26, 1996, it was assigned Act No. 11-353 and transmitted to both Houses of Congress for its review. D.C. Law 11-153 became effective on September 9, 1996.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Editor’s notes.** — Notation of debt service requirement on real property tax bills: Section 6 of D.C. Law 10-126 provided that commencing with the tax year beginning October 1, 1994, and ending September 20, 1995, and for each tax year thereafter, the Mayor shall note on the 1st half tax bill which is due and payable by March 31, 1995, and on the 2nd half tax bill which is due and payable by September 15, 1995, the percent of the total real property tax levy that constitutes the special real property tax levy.

## CASE NOTES

### Refunds.

Taxpayer was not entitled to refund based on significant overvaluation of improvements where there was also significant undervaluation of land itself, with result that assessment on “real property” as a whole was fair and accurate or possibly even favorable to taxpayer. D.C. Code 1981, §§ 47-820(a), 47-821(a). Washington Post Co. v. District of Columbia, 596 A.2d 517, 1991 D.C. App. LEXIS 219 (1991).

Taxpayer is entitled to refund when assessment of “real property,” i.e., combination of land and improvements thereon, is excessive, not when allocation of value between land and improvements is erroneous. D.C. Code 1981, §§ 47-820(a), 47-821(a). Washington Post Co. v. District of Columbia, 596 A.2d 517, 1991 D.C. App. LEXIS 219 (1991).

## § 47-811.01. Real property tax amnesty. [Repealed].

Repealed.

(Sept. 3, 1974, 88 Stat. 1052, Pub. L. 93-407, title IV, § 412a, as added Sept. 26, 1996, D.C. Law 11-52, § 104(b), 42 DCR 3684; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 502(d), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-811.1.

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 104(a) of Multiyear Budget Spending Reduction and Support Temporary Act of 1995 (D.C. Law 10-253, March 23, 1995, law notification 42 DCR 1652).

For temporary (225 day) addition of section, see § 2(d) of Real Property Equitable Property Tax Relief Temporary Act of 2000 (D.C. Law 13-196, October 21, 2000, law notification 47 DCR 8986).

Temporary Repeal of Section For temporary (225 day) repeal of section, see § 2(e) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary addition of section, see § 104(b) of the Omnibus Budget Support Congressional Review Emergency Act of 1995 (D.C. Act 11-124, July 27, 1995, 42 DCR 4160).

Section 1602 of the Omnibus Budget Support Congressional Review Emergency Act of 1995

(D.C. Act 11-124, July 27, 1995, 42 DCR 4160) provided for the application of the provisions of §§ 104(c), 109(b), (c) and (d), 110, and 111 of that act.

For temporary (90-day) addition of § 47-811.2 1981 Ed., see § 2(d) of the Real Property Equitable Tax Relief Emergency Act of 2000 (D.C. Act 13-380, July 24, 2000, 47 DCR 6691).

For temporary (90 day) repeal of section, see § 2(d)(2) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 11-52.** — Law 11-52, the “Omnibus Budget Support Act of 1995,” was introduced in Council and assigned Bill No. 11-218, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on April 19, 1995, and June 6, 1995, respectively. Signed by the Mayor on July 13, 1995, it was assigned Act No. 11-94 and transmitted to both Houses of Congress for its review. D.C. Law 11-52 became effective on September 26, 1995.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

## § 47-811.02. Overpayment; credit or refund; interest.

(a) Subject to subsection (b) of this section, if there is a payment of real property tax that results in an overpayment for a billing period or levy with priority, the overpayment shall be credited in order of priority against the real property tax owing on the property for a subsequent billing period or levy.

(b) The Mayor shall refund the payment, less the real property tax owing, to the person who made the payment; provided, that the refund shall not be allowed unless:

(1) A claim for refund within 3 years from the date the payment was made;

(2) The Office of Tax Revenue has corrected or changed an assessment or real property classification under § 47-825.01a(f) which created the overpayment;

(3) The property has been so reassessed under § 47-831 that an overpayment resulted for the periods of reassessment;

(4) The tax was abated for reasonable cause under § 47-1007; or

(5) The refund results from the grant of a real property tax exemption.

(c) A claim for refund shall be made in the manner prescribed by the Mayor.

(d) The District of Columbia shall pay interest on the overpayment beginning 90 days after the receipt of the claim for refund.

(e) The interest payable by the District under subsection (d) of this section shall be at the rate provided in § 47-3310(c).



(f) The owner, after seeking refund of the overpayment as set forth in this section, may, within one year from the last day of the tax year in which the claim for refund was made, file suit in the Superior Court of the District of Columbia in the same manner and to the same extent as provided in §§ 47-3303 and 47-3304; provided, that the real property tax, including any penalties and interest, shall have first been paid.

(g) This section shall not apply to an action timely filed under § 47-825.01a(g) and (h).

(June 9, 2001, D.C. Law 13-305, § 504(a)(2), 48 DCR 334; Apr. 4, 2003, D.C. Law 14-282, § 11(f), 50 DCR 896; July 13, 2012, D.C. Law 19-155, § 3(a), 59 DCR 5590.)

**Effect of amendments.** — D.C. Law 14-282 made nonsubstantive changes to subsecs. (b)(3) and (b)(4); and added subsec. (b)(5).

D.C. Law 19-155, in subsec. (b)(2), substituted “The Office of Tax and Revenue has” for “The Mayor” and “§ 47-825.01a(f)” for “§ 47-825.01(h-1)”; in subsec. (g), substituted “§ 47-825.01a(g) and (h)” for “§ 47-825.01(j-1) and (j-2)”.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 12(g) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(g) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 4(b) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary (90 day) addition of section, see § 4(a)(2) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see § 12(g) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 12(g) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(g) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-405.

**Legislative history of Law 19-155.** — For history of Law 19-155, see notes under § 47-825.01a.

## § 47-811.03. Real property tax abatement for certain commercial properties.

(a) For the purposes of this section, the term:

(1) “Applicant” means the landlord or the tenant.

(2) “Benefit period” means the period commencing on the first day of the month immediately following the rent commencement date and terminating no later than 60 months thereafter.

(3) “Billed assessed value” means the lesser of the taxable transitional assessed value or the taxable actual assessed value of the eligible building and the land on which the eligible building is located for the fiscal year in which the benefit period commences.

(4) “Eligible building” means a non-residential or mixed-use building in which:

(A) At least 50% of its tenants are Qualified High Technology Companies; or

(B) At least 50% of its aggregate square footage is leased to a Qualified High Technology Company using the premises as an office or retail space.

(5) "Eligible premises" means premises located in an eligible building which are occupied and used as an office (including ancillary uses) or retail space by a Qualified High Technology Company under a lease.

(6) "Landlord" means a person who controls all non-residential portions of an eligible building, including the record owner, the lessee under a ground lease, any mortgagee in possession, or any receiver, and grants the right to occupy and use eligible premises to a tenant; provided, that the landlord shall not include a lessee who, at any time during the lease term, has occupied and used any part of the non-residential portions of the eligible building, other than premises occupied and used by the lessee to provide rental management services to the building.

(7) "Mixed-use building" means a building used for both residential and non-residential purposes.

(8) "Qualified High Technology Company" shall have the same meaning as set forth in § 47-1317.01(4).

(9) "Tenant" means a Qualified High Technology Company that executes a lease under which it occupies and uses eligible premises. The term "tenant" shall include a subtenant if the subtenant is a Qualified High Technology Company.

(b)(1) If (A) a new building is constructed for which the initial certificate of occupancy or initial temporary certificate of occupancy was received after December 31, 2000, or improvements or renovations are made which are necessary to adapt or convert an existing building, or a portion thereof, for use by a Qualified High Technology Company, and (B) the building is an eligible building, to the extent of eligible premises therein, the real property tax increase attributable to the increase in the billed assessed value shall be abated for 5 years.

(2) If a tenant is liable for real property taxes under its lease and the tenant makes improvements or renovations necessary to adapt or convert an eligible building, or a portion thereof, for its own use as a Qualified High Technology Company, or for use by a Qualified High Technology Company as a subtenant, the tenant shall receive the abatement from the real property tax increase provided under paragraph (1) of this subsection.

(3) If a lease for eligible premises terminates during the 5-year abatement period, the abatement shall remain effective for a period not to exceed 12 months so long as the landlord or tenant, as applicable, makes a good faith effort to lease the eligible premises to a Qualified High Technology Company.

(4) The abatement shall be revoked immediately if the landlord or tenant, as applicable, shall lease the premises to a tenant other than a Qualified High Technology Company so that the premises or building no longer constitutes eligible premises or an eligible building.

(5) The abatement under this section shall be claimed by attaching to the real property tax return an original affidavit from each tenant stating that the tenant is a Qualified High Technology Company.

(Apr. 3, 2001, D.C. Law 13-256, § 304, 48 DCR 730.)



**Emergency legislation.** — For temporary (90 day) addition of this section, see § 12(h) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

**Legislative history of Law 13-256.** — Law 13-256, the “New E-Conomy Transformation Act of 2000”, was introduced in Council and assigned Bill No. 13-752, which was referred to

the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 8, 2000, and December 5, 2000, respectively. Signed by the Mayor on December 21, 2000, it was assigned Act No. 13-543 and transmitted to both Houses of Congress for its review. D.C. Law 13-256 became effective on April 3, 2001.

## § 47-811.04. Abatement of penalty and interest; compromise.

The Mayor may:

(1) In his discretion, waive in whole or in part, interest or penalties, on unpaid taxes levied under this chapter and due to the District of Columbia, when, in his or her judgment, it would be equitable, just, or in the public interest; or

(2) Compromise taxes levied under this chapter if there is reasonable doubt as to:

(A) The liability of the real property or taxpayer; or

(B) The collectibility of the tax; provided, that:

(i) The real property shall be transferred to a new owner who is wholly unrelated to the owner; and

(ii) Subordinate liens shall be released before the tax is compromised.

(Apr. 4, 2003, D.C. Law 14-282, § 11(g), 50 DCR 896.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 12(h) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) addition of section, see § 12(h) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Emergency legislation.** — For temporary (90 day) addition of this section, see § 12(h) of

Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) addition of this section, see § 12(h) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-405.

## § 47-812. Establishment of rates.

(a) The Council, after public hearing, shall by October 15 of each year establish, by act, rates of taxation, by class, as provided in § 47-813, and the rates shall be applied, during the tax year, to the assessed value of all real property subject to taxation. The Council, acting by resolution, may extend the time for establishing the rates of taxation. If the Council does extend the time for establishing the rates of taxation on real property, it must establish those rates for the tax year by permanent legislation. If the Council does not establish the rates of taxation of real property by October 15, and does not extend the time for establishing rates, the rates of taxation applied for the prior year shall be the rates of taxation applied during the tax year.

(a-1) Notwithstanding the provisions of subsection (a) of this section, the real property tax rates for taxable property in the District of Columbia for the

tax year beginning October 1, 1994, and ending September 30, 1995, shall be the same rates in effect for the tax year beginning October 1, 1993, and ending September 30, 1994.

(a-2) Notwithstanding the provisions of subsection (a) of this section, the real property tax rates for taxable real property in the District of Columbia for the tax year beginning October 1, 1995, and ending September 30, 1996, shall be the same rates in effect for the tax year beginning October 1, 1993, and ending September 30, 1994.

(b) Notwithstanding the provisions of subsection (a) of this section, the following real property tax rates are established for taxable real property in the District of Columbia for the real property tax year beginning October 1, 1995, and ending September 30, 1996:

- (1) \$0.3659 for each \$100 of assessed value for Class 1 Property;
- (2) \$0.5869 for each \$100 of assessed value for Class 2 Property;
- (3) \$0.7050 for each \$100 of assessed value for Class 3 Property;
- (4) \$0.8194 for each \$100 of assessed value for Class 4 Property; and
- (5) \$1.9055 for each \$100 of assessed value for Class 5 Property.

(b-1) Notwithstanding the provisions of section 413, subsection (a) of this section, or any other law imposing requirements on the enactment of these tax rates, the following real property tax rates are established for taxable real property in the District of Columbia for the real property tax year beginning October 1, 1996, and ending September 30, 1997:

- (1) \$0.3936 (for each \$100 of assessed value) for Class One Property;
- (2) \$0.6314 (for each \$100 of assessed value) for Class Two Property;
- (3) \$0.7585 (for each \$100 of assessed value) for Class Three Property;
- (4) \$0.8815 (for each \$100 of assessed value) for Class Four Property; and
- (5) \$2.0500 (for each \$100 of assessed value) for Class Five Property.

(b-2) Notwithstanding the provisions of subsection (a) of this section, the following real property tax rates are established for taxable real property in the District of Columbia for the tax year beginning October 1, 1997, and ending September 30, 1998:

- (1) \$0.2400 for each \$100 of assessed value for Class 1 Property;
- (2) \$0.3850 for each \$100 of assessed value for Class 2 Property;
- (3) \$0.4625 for each \$100 of assessed value for Class 3 Property;
- (4) \$0.5375 for each \$100 of assessed value for Class 4 Property; and
- (5) \$1.2500 for each \$100 of assessed value for Class 5 Property.

(b-3) Notwithstanding the provisions of subsection (a) of this section, the sum of the real property tax rates and the special real property tax rates for taxable property in the District of Columbia for the tax year beginning October 1, 1999, and ending September 30, 2000, shall be:

- (1) \$0.96 for each \$100 of assessed value for Class 1 Property;
- (2) \$1.34 for each \$100 of assessed value for Class 2 Property;
- (3) \$1.85 for each \$100 of assessed value for Class 3 Property; and
- (4) \$2.05 for each \$100 of assessed value for Class 4 Property.

(b-4)(1) Notwithstanding the provisions of subsection (a) of this section, the sum of the real property tax rates and the special real property tax rates for taxable property in the District of Columbia for the tax year beginning October 1, 2000, and ending September 30, 2001, shall be:



- (A) \$0.96 for each \$100 of assessed value for Class 1 Property;
- (B) \$1.15 for each \$100 of assessed value for Class 2 Property;
- (C) \$1.85 for each \$100 of assessed value for Class 3 Property; and
- (D) \$1.95 for each \$100 of assessed value for Class 4 Property.

(2) Paragraph (1) of this subsection shall not apply if the certification by the Chief Financial Officer required by § 47-387.01 demonstrates that the accumulated general fund balance for the immediately preceding fiscal year is below 5% of the general fund operating budget for the current fiscal year, the nominal GDP growth is less than or equal to 3.5% or the real GDP growth is less than or equal to 1.7%.

(b-5)(1) Notwithstanding the provisions of subsection (a) of this section, the sum of the real property tax rates and the special real property tax rates for taxable property in the District of Columbia for the tax year beginning October 1, 2001, and ending September 30, 2002, shall be:

- (A) \$0.96 for each \$100 of assessed value for Class 1 Property; and
- (B) \$1.85 for each \$100 of assessed value for Class 2 Property.

(2) Repealed.

- (3) \$1.1450 for each \$100 of assessed value for Class 3 Property;
- (4) \$1.3306 for each \$100 of assessed value for Class 4 Property; and
- (5) \$3.0945 for each \$100 of assessed value for Class 5 Property.

(b-6) Notwithstanding the provisions of subsection (a) of this section, the sum of the real property tax rates and the special real property tax rates for taxable real property in the District of Columbia for the tax year beginning October 1, 2002, shall be:

- (1) \$0.96 for each \$100 of assessed value for Class 1 Property;
- (2) \$1.85 for each \$100 of assessed value for Class 2 Property; and
- (3) \$5.00 for each \$100 of assessed value for Class 3 Property.

(b-7) Notwithstanding the provisions of subsection (a) of this section, the sum of the real property tax rates and special real property tax rates for taxable real property in the District of Columbia for the tax year beginning October 1, 2005, shall be:

- (1) \$0.92 for each \$100 of assessed value for Class 1 Property;
- (2) \$1.85 for each \$100 of assessed value for Class 2 Property; and
- (3) \$5.00 for each \$100 of assessed value for Class 3 Property.

(b-8)(1)(A) Notwithstanding the provisions of subsection (a) of this section, the sum of the real property tax rates and special real property tax rates for taxable Class 1 Property in the District of Columbia for the tax year beginning October 1, 2006, and each tax year thereafter, shall be established as follows:

(i)(I) For the tax year beginning October 1, 2006, the Mayor shall compute the real property tax rate (rounded up to the nearest penny) for Class 1 Properties calculated to yield in the tax year the same amount of taxes estimated to be collected, as certified in the latest revenue estimate, during the tax year beginning October 1, 2005, plus 9%.

(II) Before September 16, 2006, the Mayor shall submit to the Council the real property tax rate computed under sub-sub-paragraph (I) of this sub-subparagraph.

(ii)(I) For the tax year beginning October 1, 2007, the Mayor shall compute the real property tax rate (rounded up to the nearest penny) for Class

1 Properties calculated to yield in the tax year the same amount of taxes estimated to be collected, as certified in the latest revenue estimate, during the tax year beginning October 1, 2006, plus 8%.

(II) Before September 16, 2007, the Mayor shall submit to the Council the real property tax rate computed under sub-sub-subparagraph (I) of this sub-subparagraph.

(iii)(I) For the tax year beginning October 1, 2008, the Mayor shall compute the real property tax rate (rounded up to the nearest penny) for Class 1 Properties calculated to yield in the tax year the same amount of taxes estimated to be collected, as certified in the latest revenue estimate, during the tax year beginning October 1, 2007, plus 7%.

(II) Before September 16, 2008, the Mayor shall submit to the Council the real property tax rate computed under sub-sub-subparagraph (I) of this sub-subparagraph.

(iv)(I) For the tax year beginning October 1, 2009, and each tax year thereafter, the Mayor shall compute the real property tax rate (rounded up to the nearest penny) for Class 1 Properties calculated to yield in the tax year the same amount of taxes estimated to be collected, as certified in the latest revenue estimate, during the preceding tax year, plus the lesser of:

(aa) Seven percent; or

(bb) The percentage increase in the total aggregate assessment of taxable real property for Class 1 Properties.

(II) Before September 16, 2009, and each anniversary thereafter, the Mayor shall submit to the Council the real property tax rate computed under sub-sub-subparagraph (I) of this sub-subparagraph.

(B) Notwithstanding the provisions of subparagraph (A) of this paragraph, if, for the current tax year, the total aggregate assessment of taxable real property for Class 1 Properties is estimated to decrease, the real property tax rate for Class 1 Properties shall be the real property tax rate for the prior tax year.

(2) Notwithstanding the provisions of subsection (a) of this section, the sum of the real property tax rates and special real property tax rates for taxable Class 2 and 3 Properties in the District of Columbia for the tax year beginning October 1, 2006, and each tax year thereafter, shall be:

(A) Repealed.

(B) \$5.00 for each \$100 of assessed value for Class 3 Property.

(b-9)(1) Notwithstanding the provisions of subsection (a) of this section, the sum of the real property tax rates and special real property tax rates for taxable Class 2 Properties in the District of Columbia for the tax year beginning October 1, 2008, shall be:

(A) For the first \$3 million of assessed value, \$1.65 of each \$100 of assessed value; and

(B) For the portion of the assessed value exceeding \$3 million, \$1.85 of each \$100 of assessed value.

(2)(A) Notwithstanding the provisions of subsection (a) of this section, the sum of the real property tax rates and special real property tax rates for taxable Class 2 Property in the District of Columbia for the tax year beginning October 1, 2009, and each tax year thereafter, shall be:



(i) For the first \$3 million of assessed value, the rate as established in subparagraph (B) of this paragraph; provided, that for the tax year beginning October 1, 2011, the tax rate shall be \$1.65 of each \$100 of assessed value; and

(ii) For the portion of the assessed value exceeding \$3 million, \$1.85 of each \$100 of assessed value.

(B)(i) The Chief Financial Officer shall compute the real property tax rate for the first \$3 million of assessed value for taxable Class 2 Properties in the District of Columbia, for the tax year beginning October 1, 2009, as follows:

(I) The Chief Financial Officer shall subtract \$1,312,793,900 from the estimated real property taxes to be collected for Class 2 Properties based upon a rate of \$1.85 of each \$100 of assessed value.

(II) The Chief Financial Officer shall compute the real property tax rate (rounded up to the nearest penny) for the first \$3 million of assessed value for taxable Class 2 Properties by taking the amount yielded by sub-sub-subparagraph (I) of this sub-subparagraph and, if it is a positive number, applying this amount to reduce the real property tax rate; provided, that the real property tax rate shall not be less than \$.90 of each \$100 of assessed value.

(ii) The Chief Financial Officer shall compute the real property tax rate for the first \$3 million of assessed value for taxable Class 2 Properties in the District of Columbia, for the tax year beginning October 1, 2010, and each tax year thereafter, as follows:

(I) The Chief Financial Officer shall multiply the total amount of taxes received for taxable Class 2 Properties in the District of Columbia for the prior fiscal year by 110%.

(II) The Chief Financial Officer shall subtract the amount yielded by sub-sub-subparagraph (I) of this sub-subparagraph from the estimated real property taxes to be collected for Class 2 Properties based upon a rate of \$1.85 of each \$100 of assessed value.

(III) The Chief Financial Officer shall compute the real property tax rate (rounded up to the nearest penny) for the first \$3 million of assessed value for taxable Class 2 Properties by taking the amount yielded by sub-sub-subparagraph (II) of this sub-subparagraph and, if it is a positive number, applying this amount to reduce the real property tax rate; provided, that the real property tax rate shall not be less than \$.90 of each \$100 of assessed value.

(iii) Before September 16 of each year, the Chief Financial Officer shall submit to the Council the real property tax rate computed under this subparagraph.

(3) The real property tax rate computed in paragraph (2) of this subsection shall only reduce the real property tax rate. If revenues increase by less than the amount needed to reduce the real property tax rate, the real property tax rate shall be equal to the real property tax rate of the prior fiscal year.

(b-10)(1) Notwithstanding the provisions of subsection (a) of this section, the sum of the real property tax rates and special real property tax rates for taxable Class 3 Properties in the District of Columbia for the tax year beginning October 1, 2010, and each tax year thereafter, shall be \$5 for each \$100 of assessed value.

(2) Notwithstanding the provisions of subsection (a) of this section, the sum of the real property tax rates and special real property tax rates for

taxable Class 4 Properties in the District of Columbia for the tax year beginning October 1, 2010, and each tax year thereafter, shall be \$ 10 for each \$ 100 of assessed value.

(c) Pursuant to section 9 of the General Obligation Bond Act of 1994, effective May 3, 1994 (D.C. Law 10-116; 41 DCR 1224), the following real property special tax rates are established for taxable real property in the District of Columbia for the real property tax year beginning October 1, 1995, and ending September 30, 1996:

- (1) \$0.5941 for each \$100 of assessed value for Class 1 Property;
- (2) \$0.9531 for each \$100 of assessed value for Class 2 Property;
- (3) \$1.1450 for each \$100 of assessed value for Class 3 Property;
- (4) \$1.3306 for each \$100 of assessed value for Class 4 Property; and
- (5) \$3.0945 for each \$100 of assessed value for Class 5 Property.

(c-1) Notwithstanding the provisions of section 413, subsection (c) of this section, or any other law imposing requirements on the enactment of these tax rates, pursuant to section 9 of the General Obligation Bond Act of 1994, effective May 3, 1994 (D.C. Law 10-116; 41 DCR 1224), the following real property special tax rates are established for taxable real property in the District of Columbia for the real property tax year that begins October 1, 1996, and ends September 30, 1997:

- (1) \$0.5664 (for each \$100 of assessed value) for Class One Property;
- (2) \$0.9086 (for each \$100 of assessed value) for Class Two Property;
- (3) \$1.0915 (for each \$100 of assessed value) for Class Three Property;
- (4) \$1.2685 (for each \$100 of assessed value) for Class Four Property; and
- (5) \$2.9500 (for each \$100 of assessed value) for Class Five Property.

(c-2) Pursuant to section 9 of the General Obligation Bond Act of 1996, effective October 1, 1996 (D.C. Law 11-162; 43 DCR 5432), the following real property special tax rates are established for taxable real property in the District of Columbia for the tax year beginning October 1, 1997, and ending September 30, 1998:

- (1) \$0.7200 for each \$100 of assessed value for Class 1 Property;
- (2) \$1.1550 for each \$100 of assessed value for Class 2 Property;
- (3) \$1.3875 for each \$100 of assessed value for Class 3 Property;
- (4) \$1.6125 for each \$100 of assessed value for Class 4 Property; and
- (5) \$3.7500 for each \$100 of assessed value for Class 5 Property.

(d) For purposes of this section, the terms "Class 1 Property", "Class 2 Property", "Class 3 Property", "Class 4 Property", and "Class 5 Property" each has the same meaning as the terms have in § 47-813(c-2)(1), (2), (3), (4), and (5).

(e) The Mayor of the District of Columbia shall issue rules necessary to implement subsections (b) through (d) of this section.

(Sept. 3, 1974, 88 Stat. 1052, Pub. L. 93-407, title IV, § 412; June 15, 1976, D.C. Law 1-70, title III, §§ 302(a), 305, 23 DCR 538, 540; Mar. 3, 1979, D.C. Law 2-130, § 3(a), 25 DCR 2517; Nov. 20, 1979, D.C. Law 3-37, § 2(a), 26 DCR 1564; Mar. 13, 1985, D.C. Law 5-125, § 2, 31 DCR 5180; Nov. 19, 1985, D.C. Law 6-51, § 3(a), 32 DCR 5681; Oct. 1, 1987, D.C. Law 7-28, § 2, 34 DCR 5094;



Sept. 29, 1988, D.C. Law 7-161, § 2(a), (b), 35 DCR 5730; Oct. 19, 1989, D.C. Law 8-46, § 2(b), (c), 36 DCR 5783; Sept. 27, 1990, D.C. Law 8-172, § 2(d), 37 DCR 4844; Mar. 7, 1992, D.C. Law 9-62, § 2(b), (c), 38 DCR 7291; Oct. 7, 1992, D.C. Law 9-177, § 2, 39 DCR 5868; Jan. 26, 1994, D.C. Law 10-66, § 2, 40 DCR 7358; June 14, 1994, D.C. Law 10-127, § 5(a), 41 DCR 2050; Sept. 26, 1995, D.C. Law 11-52, § 104(a), 42 DCR 3684; Mar. 5, 1996, D.C. Law 11-98, § 1301, 43 DCR 5; Apr. 26, 1996, 110 Stat. 1321 211, Pub. L. 104-134, § 135(1); Apr. 9, 1997, D.C. Law 11-222, § 2, 44 DCR 108; Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 10, 1998, D.C. Law 12-122, § 2(a), 45 DCR 2300; Oct. 20, 1999, D.C. Law 13-38, § 2702(b), 46 DCR 6373; Apr. 12, 2000, D.C. Law 13-91, § 156(b), 47 DCR 520; June 5, 2003, D.C. Law 14-307, § 1303(a), 49 DCR 11664; Oct. 20, 2005, D.C. Law 16-33, §§ 1262(a), 1272, 52 DCR 7503; Mar. 20, 2008, D.C. Law 17-123, § 3(a), 55 DCR 1513; Aug. 15, 2008, D.C. Law 17-216, § 4(a), 55 DCR 7500; Aug. 16, 2008, D.C. Law 17-219, § 7006, 55 DCR 7598; Sept. 24, 2010, D.C. Law 18-223, § 2043(a), 57 DCR 6242; Sept. 14, 2011, D.C. Law 19-21, § 8102,)

**Cross references.** — National Capital Revitalization Corporation, “property tax increment revenues” defined, see § 2-1219.01.

Rental housing, new, vacant, and rehabilitated accommodations, real property tax abatement, see § 42-3508.02.

**Section references.** — This section is referred to in §§ 47-811, 47-815, and 47-1005.01.

**Prior Codifications.** — 1981 Ed., § 47-812. 1973 Ed., § 47-632.

**Effect of amendments.** — D.C. Law 13-38 added subsec. (b-3), (b-4) and (b-5).

D.C. Law 13-91 validated a previously made technical amendment in subsec. (b-2)(3).

D.C. Law 14-307 repealed par. (2) of subsec. (b-5); and added subsec. (b-6). Prior to repeal, par. (2) of subsec. (b-5) had read as follows: “(2) \$0.9531 for each \$100 of assessed value for Class 2 Property;”

D.C. Law 16-33, added subsecs. (b-7) and (b-8).

D.C. Law 17-123 repealed subsec. (b-8)(2)(A) and added subsec. (b-9). Prior to repeal, subsec. (b-8)(2)(A), read as follows: “(A) \$1.85 for each \$100 of assessed value for Class 2 Property; and”.

D.C. Law 17-216 added subsec. (b-10).

D.C. Law 17-219 rewrote subsec. (b-9).

D.C. Law 18-223 rewrote subsec. (b-10), which had read as follows: “(b-10) Notwithstanding the provisions of subsection (a) of this section, the sum of the real property tax rates and special real property tax rates for taxable Class 3 Properties in the District of Columbia for the tax year beginning October 1, 2008, and each tax year thereafter, shall be \$10 for each \$100 of assessed value.”

D.C. Law 19-21, in subsec. (b-9)(2)(A)(i), substituted “subparagraph (B) of this paragraph; provided, that for the tax year beginning Octo-

ber 1, 2011, the tax rate shall be \$1.65 of each \$100 of assessed value; and” for “subparagraph (B) of this paragraph; and”.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2 of Real Property Tax Rates for Tax Year 1989 Temporary Amendment Act of 1988 (D.C. Law 7-183, March 16, 1989, law notification 36 DCR 2193).

For temporary (225 day) amendment of section, see § 2 of Real Property Tax Rates for Tax Year 1996 Temporary Amendment Act of 1995 (D.C. Law 11-86, February 10, 1996, law notification 43 DCR 1312).

For temporary (225 day) amendment of section, see § 3 of Economic Recovery Conformity Temporary Act of 1996 (D.C. Law 11-216, April 9, 1997, law notification 44 DCR 2574).

For temporary (225 day) amendment of section, see § 2 of Real Property Tax Rate for Tax Year 1997 Temporary Amendment Act of 1996 (D.C. Law 11-217, April 9, 1997, law notification 44 DCR 2575).

For temporary (225 day) amendment of section, see § 2(a) of Real Property Tax Rates and Assessment Initiative Temporary Amendment Act of 1998 (D.C. Law 12-123, June 11, 1998, law notification 45 DCR 6289).

For temporary (225 day) amendment of section, see 102(a) of Tax Parity Rates and Unincorporated Business Franchise Tax Rate Clarification Temporary Act of 2002 (D.C. Law 14-163, June 25, 2002, law notification 49 DCR 6499).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 101(a) of the Omnibus Budget Support Emergency Act of 1995 (D.C. Act 11-44, April 28, 1995, 42 DCR 2217) and § 104(a) of the Omnibus Budget Support Congressional Review Emergency Act

of 1995 (D.C. Act 11-124, July 27, 1995, 42 DCR 4160).

For temporary (90 day) amendment of section, see § 2 of the Real Property Tax Rates for Tax Year 1997 Emergency Amendment Act of 1996 (D.C. Act 11-403, October 24, 1996, 43 DCR 5808), and see § 3 of the Economic Recovery Conformity Emergency Act of 1996 (D.C. Act 11-377, August 28, 1996, 43 DCR 4797).

For temporary (90 day) amendment of section, see § 2 of the Real Property Tax Rates for Tax Year 1996 Emergency Amendment Act of 1995 (D.C. Act 11-148, October 26, 1995, 42 DCR 6054), § 2 of the Real Property Tax Rates for Tax Year 1996 Congressional Review Emergency Amendment Act of 1996 (D.C. Act 11-183, January 22, 1996, 43 DCR 376), § 1301 of the Budget Support Congressional Review Emergency Act of 1996 (D.C. Act 11-206, February 9, 1996, 43 DCR 777), and see § 2 of the Real Property Tax Rates for Tax Year 1997 Congressional Adjournment Emergency Amendment Act of 1997 (D.C. Act 12-12, March 3, 1997, 44 DCR 1744).

For temporary (90 day) amendment of section, see § 2 of the Real Property Tax Rates for Tax Year 1996 Emergency Amendment Act of 1995 (D.C. Act 11-148, October 26, 1995, 42 DCR 6054), § 2 of the Real Property Tax Rates for Tax Year 1996 Congressional Review Emergency Amendment Act of 1996 (D.C. Act 11-183, January 22, 1996, 43 DCR 376), § 2 of the Real Property Tax Rates for Tax Year 1997 Emergency Amendment Act of 1996 (D.C. Act 11-403, October 24, 1996, 43 DCR 5808), § 2 of the Real Property Tax Rates for Tax Year 1997 Congressional Adjournment Emergency Amendment Act of 1997 (D.C. Act 12-12, March 3, 1997, 44 DCR 1744), and § 2(a) of the Real Property Tax Rates for Tax Year 1998 Emergency Amendment Act of 1997 (D.C. Act 12-184, October 31, 1997, 44 DCR 6960).

For temporary (90 day) amendment of section, see § 2(a) of the Real Property Tax Rates and Assessment Initiative Emergency Amendment Act of 1998 (D.C. Act 12-299, March 4, 1998, 45 DCR 1780).

For temporary (90 day) amendment of section, see § 2702(b) of the Service Improvement and Fiscal Year 2000 Budget Support Emergency Act of 1999 (D.C. Act 13-110, July 28, 1999, 46 DCR 6320).

For temporary (90 day) amendment of section, see § 102(a) of Tax Parity Rates and Unincorporated Business Franchise Tax Rate Clarification Emergency Act of 2002 (D.C. Act 14-309, March 25, 2002, 49 DCR 3416).

For temporary (90 day) amendment of section, see §§ 1303(a) and 1304 of Fiscal Year 2003 Budget Support Amendment Emergency Act of 2002 (D.C. Act 14-544, December 4, 2002, 49 DCR 11700).

For temporary (90 day) amendment of section, see §§ 1303(a) and 1304 of the Fiscal Year 2003 Budget Support Amendment Congressional Review Emergency Act of 2003 (D.C. Act 15-27, February 24, 2003, 50 DCR 2151).

For temporary (90 day) amendment of section, see §§ 1303(a) and 1304 of Fiscal Year 2003 Budget Support Amendment Second Congressional Review Emergency Act of 2003 (D.C. Act 15-103, June 20, 2003, 50 DCR 5499).

For temporary (90 day) amendment of section, see §§ 1262(a), 1263, 1264, 1272 of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

For temporary (90 day) amendment of section, see § 2043(a) of Fiscal Year 2011 Budget Support Emergency Act of 2010 (D.C. Act 18-463, July 2, 2010, 57 DCR 6542).

**Legislative history of Law 1-70.** — For legislative history of D.C. Law 1-70, see Historical and Statutory Notes following § 47-811.

**Legislative history of Law 2-130.** — For legislative history of D.C. Law 2-130, see Historical and Statutory Notes following § 47-803.

**Legislative history of Law 3-37.** — Law 3-37, the "Real Property Tax Classifications Act for Tax Year 1980," was introduced in Council and assigned Bill No. 3-141, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on July 31, 1979 and September 11, 1979, respectively. Signed by the Mayor on September 28, 1979, it was assigned Act No. 3-104 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 5-125.** — Law 5-125, the "Real Property Tax Rates Setting Procedures Amendment Act of 1984," was introduced in Council and assigned Bill No. 5-302, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on July 10, 1984 and September 12, 1984, respectively. Signed by the Mayor on October 1, 1984, it was assigned Act No. 5-178 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 6-51.** — Law 6-51, the "Real Property Tax Rates for Tax Year 1986 and Classification Amendment Act of 1985," was introduced in Council and assigned Bill No. 6-268, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on July 9, 1985 and September 10, 1985, respectively. Signed by the Mayor on September 30, 1985, it was assigned Act No. 6-74 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 7-28.** — For legislative history of D.C. Law 7-28, see Historical and Statutory Notes following § 47-818.01.

**Legislative history of Law 7-161.** — Law 7-161, the "Real Property Tax Rates for Tax



Year 1989 Amendment Act of 1988," was introduced in Council and assigned Bill No. 7-511, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 28, 1988 and July 12, 1988, respectively. Signed by the Mayor on July 15, 1988, it was assigned Act No. 7-216 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 8-46.** — For legislative history of D.C. Law 8-46, see Historical and Statutory Notes following § 47-811.

**Legislative history of Law 8-172.** — Law 8-172, the "Real Property Tax Rates for Tax Year 1991 Amendment Act of 1990," was introduced in Council and assigned Bill No. 8-609, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 26, 1990, and July 10, 1990, respectively. Signed by the Mayor on July 16, 1990, it was assigned Act No. 8-237 and transmitted to both Houses of Congress for its review. D.C. Law 8-172 became effective on September 27, 1990.

**Legislative history of Law 9-62.** — Law 9-62, the "District of Columbia Real Property Tax Rates for Tax Year 1992 and Real Property Tax Reclassification Amendment Act of 1991," was introduced in Council and assigned Bill No. 9-253, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on October 1, 1991, and November 5, 1991, respectively. Signed by the Mayor on November 25, 1991, it was assigned Act No. 9-105 and transmitted to both Houses of Congress for its review. D.C. Law 9-62 became effective on March 7, 1992.

**Legislative history of Law 9-177.** — Law 9-177, the "Real Property Tax Rates for Tax Year 1993 and Real Property Tax Revision and Reclassification Amendment Act of 1992," was introduced in Council and assigned Bill No. 9-563, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on June 23, 1992, and July 7, 1992, respectively. Signed by the Mayor on July 28, 1992, it was assigned Act No. 9-283 and transmitted to both Houses of Congress for its review. D.C. Law 9-177 became effective on October 7, 1992.

**Legislative history of Law 10-66.** — Law 10-66, the "Real Property Tax Rates for Tax Year 1994 and Real Property Tax Classification Amendment Act of 1993," was introduced in Council and assigned Bill No. 10-313, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on July 21, 1993, and September 21, 1993, respectively. Approved without the signature of the Mayor on October 8, 1993, it was assigned Act No. 10-121 and transmitted to both Houses of Congress for its review. D.C. Law 10-66 became effective on January 26, 1994.

**Legislative history of Law 10-127.** — Law 10-127, the "Real Property Statutory and Filing Deadlines Conformity Amendment Act of 1994," was introduced in Council and assigned Bill No. 10-450, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on February 1, 1994, and March 22, 1994, respectively. Signed by the Mayor on April 13, 1994, it was assigned Act No. 10-221 and transmitted to both Houses of Congress for its review. D.C. Law 10-127 became effective on June 14, 1994.

**Legislative history of Law 11-52.** — For legislative history of D.C. Law 11-52, see Historical and Statutory Notes following § 47-811.01.

**Legislative history of Law 11-98.** — Law 11-98, the "Budget Support Act of 1995," was introduced in Council and assigned Bill No. 11-440, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 7, 1995, and December 5, 1995, respectively. Signed by the Mayor on December 26, 1995, it was assigned Act No. 11-181 and transmitted to both Houses of Congress for its review. D.C. Law 11-98 became effective on March 5, 1996.

**Legislative history of Law 11-222.** — Law 11-222, the "Real Property Tax Rates for Tax Year 1998 Amendment Act of 1996," was introduced in Council and assigned Bill No. 11-844, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on October 1, 1996, and November 7, 1996, respectively. Signed by the Mayor on November 25, 1996, it was assigned Act No. 11-441 and transmitted to both Houses of Congress for its review. D.C. Law 11-222 became effective on April 9, 1997.

**Legislative history of Law 12-222.** — Law 12-122, the "Real Property Tax Rates and Assessment Initiative Amendment Act of 1998," was introduced in Council and assigned Bill No. 12-370. The Bill was adopted on first and second readings on February 3, 1998, and March 3, 1998, respectively. Signed by the Mayor on May 23, 1998, it was assigned Act No. 12-323 and transmitted to both Houses of Congress for its review. D.C. Law 12-122 became effective on June 10, 1998.

**Legislative history of Law 13-38.** — Law 13-38, the "Service Improvement and Fiscal Year 2000 Budget Support Act of 1999," was introduced in Council and assigned Bill No. 13-161, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on May 11, 1999, and June 22, 1999, respectively. Signed by the Mayor on July 8, 1999, it was assigned Act No. 13-111 and transmitted to both Houses of Congress for its review. D.C. Law 13-38 became effective on October 20, 1999.

**Legislative history of Law 13-91.** — Law 13-91, the “Technical Amendments Act of 1999,” was introduced in Council and assigned Bill No. 13-435, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 2, 1999, and December 7, 1999, respectively. Signed by the Mayor on December 29, 1999, it was assigned Act No. 13-234 and transmitted to both Houses of Congress for its review. D.C. Law 13-91 became effective on April 12, 2000.

**Legislative history of Law 14-307.** — For Law 14-307, see notes following § 47-368.01.

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Legislative history of Law 17-123.** — Law 17-123, the “Small Business Commercial Property Tax Relief Act of 2008”, was introduced in Council and assigned Bill No. 17-20 which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on December 11, 2007, and January 8, 2008, respectively. Signed by the Mayor on January 24, 2008, it was assigned Act No. 17-272 and transmitted to both Houses of Congress for its review. D.C. Law 17-123 became effective on March 20, 2008.

**Legislative history of Law 17-216.** — Law 17-216, the “Nuisance Properties Abatement Reform and Real Property Classification Amendment Act of 2008”, was introduced in Council and assigned Bill No. 17-86 which was referred to Finance and Revenue and Public Services and Consumer Affairs. The Bill was adopted on first and second readings on March 4, 2008, and June 3, 2008, respectively. Signed by the Mayor on June 24, 2008, it was assigned Act No. 17-416 and transmitted to both Houses of Congress for its review. D.C. Law 17-216 became effective on August 15, 2008.

**Legislative history of Law 17-219.** — For Law 17-219, see notes following § 47-318.05a.

**Legislative history of Law 18-223.** — For Law 18-223, see notes following § 47-355.05.

**Legislative history of Law 19-21.** — For history of Law 19-21, see notes under § 47-305.02.

**Short title.** — Short title of subtitle EE of title I of Law 16-33: Section 1261 of D.C. Law 16-33 provided that subtitle EE of title I of the act may be cited as the Residential Property Tax Rate and Cap Reduction Act of 2005.

Short title of subtitle FF of title I of Law 16-33: Section 1271 of D.C. Law 16-33 provided that subtitle FF of title I of the act may be cited as the Calculated Residential Property Tax Rate Establishment Act of 2005.

Short title: Section 7003 of D.C. Law 17-219 provided that subtitle C of title VII of the act may be cited as the “Commercial Real Property Tax Relief Act of 2008”.

Short title: Section 8101 of D.C. Law 19-21 provided that subtitle K of title VIII of the act

may be cited as “Determination of Calculated Rate for Fiscal Year 2012 Act of 2011”.

**Delegation of Authority.** — Delegation of authority pursuant to Law 6-51, see Mayor’s Order 86-6, January 14, 1986.

Delegation of authority pursuant to Laws 6-195 and 6-203, see Mayor’s Order 86-172, September 30, 1986.

**Editor’s notes.** — Application of Law 14-307: Section 1304 of D.C. Law 14-307 provided: “Sections 1302 and 1303 shall apply as of October 1, 2002.”

Section 2 of the Act of March 5, 1981, D.C. Law 3-136, established the rates of taxation on taxable real property in the District of Columbia for the tax year beginning July 1, 1980, and ending June 30, 1981, as follows: \$1.22 for each \$100 of assessed value for Class 1 Property; \$1.54 for each \$100 of assessed value for Class 2 Property; and \$2.13 for each \$100 of assessed value for Class 3 Property.

Section 2(a) of D.C. Law 6-51 established rates of taxation on taxable real property in the District of Columbia for the tax year beginning July 1, 1985, and ending June 30, 1986, as follows: \$1.0615 for each \$100 of assessed value for Class 1 property; \$1.3402 for each \$100 of assessed value for Class 2 property; \$1.5712 for each \$100 of assessed value for Class 3 property; and \$1.7662 for each \$100 of assessed value for Class 4 property.

Section 2(a) of D.C. Law 6-153 established rates of taxation on taxable real property in the District of Columbia for the tax year beginning July 1, 1986, and ending June 30, 1987 as follows: \$0.8686 for each \$100 of assessed value for Class 1 Property; \$1.0966 for each \$100 of assessed value for Class 2 Property; \$1.2957 for each \$100 of assessed value for Class 3 Property; and \$1.4454 for each \$100 of assessed value for Class 4 Property.

Real property special tax rates established: Section 2(b) of D.C. Law 6-153 established rates for the real property special tax on taxable real property in the District of Columbia for the tax year beginning July 1, 1986, and ending June 30, 1987 as follows: \$0.3514 for each \$100 of assessed value for Class 1 Property; \$0.4434 for each \$100 of assessed value for Class 2 Property; \$0.5243 for each \$100 of assessed value for Class 3 Property; and \$0.5846 for each \$100 of assessed value for Class 4 Property.

General obligation bonds authorized: D.C. Law 6-60, effective November 19, 1985, authorized the issuance of general obligation bonds of the District of Columbia for the purpose of financing certain capital projects and refunding certain capital indebtedness of the District of Columbia.

Mayor authorized to issue rules: Section 4 of D.C. Law 6-51 provided that the Mayor shall issue rules to implement the provisions of the



act pursuant to subchapter I of Chapter 5 of Title 2.

Section 2(d) of D.C. Law 6-153 provided that the Mayor shall issue rules to implement the provisions of the section.

Calculated rates for tax year 1995: The following calculated rates became the tax rates for tax year 1995 on December 16, 1994, pursuant to Resolution 10-443 and D.C. Code § 47-812(a) (See 41 DCR 5987):

Tax Year 1995 Real Property Tax Rates Establishment Extension Emergency Resolution of 1994: Pursuant to Resolution 10-443, effective October 4, 1994, the Council extended, on an emergency basis, the time for establishing the real property tax rates for tax year 1995 until December 5, 1994.

Definitions applicable: The definitions in § 47-803 apply to this section.

Real property special tax rates established: Section 2(b) of D.C. Law 6-51, effective November 19, 1985, established rates for the real property special tax on taxable real property in the District of Columbia for the tax year beginning July 1, 1985, and ending June 30, 1986, as follows: \$0.1585 for each \$100 of assessed value for Class 1 property; \$0.1998 for each \$100 of assessed value for Class 2 property; \$0.2488 for each \$100 of assessed value for Class 3 property; and \$0.2638 for each \$100 of assessed value for Class 4 property.

Definitions applicable: Section 2(c) of D.C. Law 6-51 provided that, for purposes of this section, the terms "Class 1 property", "Class 2 property", "Class 3 property", and "Class 4 property" each has the meaning given to the term in subsection (c-1)(1), (2), (3), and (4) of § 47-813, as amended by § 3(b) of the act.

Section 2(c) of D.C. Law 6-153 provided that, for purposes of this section, the terms "Class 1

Property", "Class 2 Property", "Class 3 Property", and "Class 4 Property" each has the meaning given each term in subsection (c-1)(1), (2), (3), and (4) of § 47-813, as amended by § 3b of the act.

General obligation bonds authorized: D.C. Law 5-115 authorized the issuance of general obligation bonds of the District of Columbia for the purpose of financing certain capital projects and refunding certain capital indebtedness of the District of Columbia.

An annual tax is imposed on real property in the District of Columbia by § 47-811 and by the General Obligation Bond Act of 1996, effective October 1, 1996 (D.C. Law 11-162; 43 DCR 5432) (the "1996 Act"), which is not codified. The 1996 Act established a real property special tax to pay debt service on general obligation bonds issued by the District of Columbia. Prior to the 1996 Act, a real property special tax was imposed by the General Obligation Bond Act of 1994, effective May 3, 1994 (D.C. Law 10-116; 41 DCR 1224). The real property tax rates and real property special tax rates are established by this section (§ 47-812), either separately or as a sum.

Applicability and expiration of subtitle EE of title I, §§ 1261 to 1265, of D.C. Law 16-33: Sections 1263 and 1264 of D.C. Law 16-33, as amended by section 5(g) of D.C. Law 16-191 and D.C. Law 17-219, § 7068(c), (d), provided:

"Sec. 1263. Applicability; conditional effect.

"(a) Section 1262 shall apply for taxable years beginning after September 30, 2005."

"(b) Repealed.

"(c) Repealed.

"Sec. 1264. Repealed."

Section 5(b) of D.C. Law 17-216 provided that section 4(a) shall apply to real property tax years beginning after September 30, 2008.

## § 47-813. Classes of property.

(a) For the purpose of levying taxes on real property in the District of Columbia, the Council may establish different classes of real property.

(b) For the property tax year beginning July 1, 1979, and ending June 30, 1980, the following classes of real property are established:

(1) *Class 1 Property.* —

(A) Class 1 Property shall be comprised of improved residential real property which:

(i) Is occupied by the owner thereof;

(ii) Contains not more than 5 dwelling units, whether as a row, detached, or semidetached structure, or is a single dwelling unit owned as a condominium; and

(iii) Is used exclusively for nontransient residential dwelling purposes.

(B) Improved residential real property which is owned by a cooperative housing association shall also be classified as Class 1 Property; provided, that

at least 50% of the dwelling units contained therein are occupied by the shareholders or members of such cooperative housing association;

(2) *Class 2 Property.* —

(A) Class 2 Property shall be comprised of improved residential real property, which:

(i) Is not occupied by the owner thereof;

(ii) Contains not more than 5 dwelling units, whether as a row, detached, or semidetached structure, or is a single dwelling unit owned as a condominium; and

(iii) Is used exclusively for nontransient residential dwelling purposes.

(B) Improved residential real property which is owned by a cooperative housing association shall also be classified as Class 2 Property; provided, that less than 50% of the dwelling units contained therein are occupied by the shareholders or members of such cooperative housing association.

(C) Nothing in this subsection shall be construed to include hotels in the Class 2 Property classification;

(3) *Class 3 Property.* — Class 3 Property shall be comprised of all real property which is not Class 1 Property or Class 2 Property.

(c) For the property tax year beginning July 1, 1980, and ending June 30, 1981, and for each tax year thereafter, the following classes of real property are established:

(1) *Class 1 Property.* —

(A) Class 1 Property shall be comprised of improved residential real property which:

(i) Is occupied by the owner thereof;

(ii) Contains not more than 5 dwelling units, whether as a row, detached, or semidetached structure, or is a single dwelling unit owned as a condominium; and

(iii) Is used exclusively for nontransient residential dwelling purposes.

(B) Improved residential real property which is owned by a cooperative housing association shall also be classified as Class 1 Property; provided, that at least 50% of the dwelling units contained therein are occupied by the shareholders or members of such cooperative housing association.

(C) Vacant real property which abuts improved residential real property qualified as Class 1 Property shall be classified as Class 1 Property if said vacant property and the improved residential real property which it abuts have common ownership. For the property tax year beginning July 1, 1984, and ending June 30, 1985, and for each tax year thereafter, vacant real property which is separated from Class 1 improved residential real property by a public alley less than 30 feet wide shall be classified as Class 1 Property if the following conditions are met:

(i) The vacant real property is less than 1,000 square feet in size;

(ii) The zoning regulations adopted by the Zoning Commission for the District of Columbia do not allow the building of any structures on the vacant real property as a matter of right; and



(iii) The owner of the vacant real property also owns the Class 1 improved residential real property separated by the alley from the vacant lot;

(2) *Class 2 Property.* —

(A) Class 2 Property shall be comprised of improved residential real property, including apartment buildings, which:

(i) Is not occupied by the owner thereof;

(ii) Contains not more than 5 dwelling units, whether as a row, detached, or semidetached structure, or is a single dwelling unit owned as a condominium; and

(iii) Is used exclusively for nontransient residential dwelling purposes.

(B) Improved residential real property which is owned by a cooperative housing association shall also be classified as Class 2 Property; provided, that less than 50% of the dwelling units contained therein are occupied by the shareholders or members of such cooperative housing association.

(C) Improved multifamily residential property which contains more than 5 dwelling units and is used exclusively for nontransient dwelling purposes shall also be classified as Class 2 Property.

(D) Vacant real property which abuts improved residential real property qualified as Class 2 Property shall be classified as Class 2 Property if said vacant property and the improved residential real property which it abuts have common ownership. For the property tax year beginning July 1, 1984, and ending June 30, 1985, and for each tax year thereafter, vacant real property which is separated from Class 2 improved residential real property by a public alley less than 30 feet wide shall be classified as Class 2 Property if the following conditions are met:

(i) The vacant real property is less than 1,000 square feet in size;

(ii) The zoning regulations adopted by the Zoning Commission do not allow the building of any structures on the vacant real property as a matter of right; and

(iii) The owner of the vacant real property also owns the Class 2 improved residential real property separated by the alley from the vacant lot.

(E) The Mayor may require an owner of real property to submit such information relating to the ownership of vacant real property as in the Mayor's judgment will assist in the determination of ownership of such property as required under this section for purposes of real property classification;

(3) *Class 3 Property.* — Class 3 Property shall be comprised of all real property which is not Class 1 Property or Class 2 Property. Vacant real property which abuts and has common ownership with real property subject to the apportionment provision of subsection (f) of this section shall also be classified as Class 3 Property.

(c-1) For the property tax year beginning July 1, 1985, and ending June 30, 1986, and for each subsequent tax year, the following classes of real property not covered in subsection (c-2) or (c-3) of this section are established:

(1) *Class 1 Property.* —

(A) Class 1 Property shall be comprised of improved residential real property which:

- (i) Is occupied by the owner of the property;
- (ii) Contains not more than 5 dwelling units, whether as a row, detached, or semidetached structure, or is a single dwelling unit owned as a condominium; and

- (iii) Is used exclusively for nontransient residential dwelling purposes.

(B) Improved residential real property which is owned by a cooperative housing association shall also be classified as Class 1 Property, so long as at least 50% of the dwelling units are occupied by the shareholders or members of the cooperative housing association.

(C) Vacant real property which abuts improved residential real property qualified as Class 1 Property shall be classified as Class 1 Property if the vacant property and the improved residential real property which it abuts have common ownership.

(D) Vacant real property which is separated from Class 1 improved residential real property by a public alley less than 30 feet wide shall be classified as Class 1 Property if the following conditions are met:

- (i) The vacant real property is less than 1,000 square feet in size;
- (ii) The zoning regulations adopted by the Zoning Commission for the District of Columbia do not allow the building of any structures on the vacant real property as a matter of right; and

- (iii) The owner of the vacant real property also owns the Class 1 improved residential real property separated by the alley from the vacant lot.

(2) *Class 2 Property.* —

(A) Class 2 Property shall be comprised of improved residential real property, including buildings, which:

- (i) Is not occupied by the owner thereof;
- (ii) Contains not more than 5 dwelling units, whether as a row, detached, or semidetached structure, or is a single dwelling unit owned as a condominium; and

- (iii) Is used exclusively for nontransient residential dwelling purposes.

(B) Improved residential real property which is owned by a cooperative housing association shall also be classified as Class 2 Property, so long as less than 50% the dwelling units are occupied by the shareholders or members of the cooperative housing association.

(C) Improved multifamily residential property which contains more than 5 dwelling units and is used exclusively for nontransient dwelling purposes shall also be classified as Class 2 Property.

(D) Vacant real property which abuts improved residential real property qualified as Class 2 Property shall be classified as Class 2 Property if the vacant property and the improved residential real property which it abuts have common ownership.

(E) Vacant real property which is separated from Class 2 improved residential real property by a public alley less than 30 feet wide shall be classified as Class 2 Property if the following conditions are met:

- (i) The vacant real property is less than 1,000 square feet in size;



(ii) The zoning regulations adopted by the Zoning Commission do not allow the building of any structures on the vacant real property as a matter of right; and

(iii) The owner of the vacant real property also owns the Class 2 improved residential real property separated by the alley from the vacant lot.

(F) The Mayor may require an owner of real property to submit such information relating to the ownership of vacant real property as in the Mayor's judgment will assist in the determination of ownership of the property as required under this section for purposes of real property classification.

(3) *Class 3 Property.* —

(A) Class 3 Property shall be comprised of improved commercial real property, including hotels, motels, inns, or any other place, which is regularly used for the purpose of furnishing rooms, lodgings or accommodations to transients.

(B) For purposes of subparagraph (A) of this paragraph the term "transient" means a person who is merely sojourning in the District, including a person who is visiting for a few days, or comes to the District to perform some special service or attend some special event. Any person who is furnished accommodations for a period of 90 consecutive days or more shall no longer be considered a transient, but shall be considered a permanent resident of the hotel, motel or inn.

(4) *Class 4 Property.* — Class 4 Property shall be comprised of all real property which is not Class 1 Property, Class 2 Property or Class 3 Property. Vacant real property which abuts and has common ownership with real property subject to the apportionment provision of subsection (f) in this section shall also be classified as Class 4 Property.

(c-2) For the property tax year beginning July 1, 1990, and ending June 30, 1991, and the subsequent tax years beginning July 1, 1991, and ending June 30, 1992, and beginning July 1, 1992, and ending June 30, 1993, and for the period beginning July 1, 1993, and ending September 30, 1993, and beginning October 1, 1993, and ending September 30, 1994, the following classes of real property are established:

(1) *Class 1 Property.* —

(A) Class 1 Property shall be comprised of improved residential real property which:

(i)(I) Is occupied by the owner of the property; or

(II) Is unoccupied due to a major fire, flood, or other casualty to the improved real property, if the improved real property was occupied by the owner of the property at the time of the casualty, and the major fire, flood, or other casualty occurred during the 12 months preceding the tax year and was not intentionally caused by the owner;

(ii) Contains not more than 5 dwelling units, whether as a row, detached, or semidetached structure, or is a single dwelling unit owned as a condominium; and

(iii) Is used exclusively for nontransient residential dwelling purposes.

(B) Improved residential real property which is owned by a cooperative housing association shall also be classified as Class 1 Property, so long as at

least 50% of the dwelling units are occupied by the shareholders or members of the cooperative housing association.

(C) Unimproved real property which abuts improved residential real property qualified as Class 1 Property shall be classified as Class 1 Property if the unimproved real property and the improved residential real property which it abuts have common ownership.

(D) Unimproved real property which is separated from Class 1 improved residential real property by a public alley less than 30 feet wide shall be classified as Class 1 Property if the following conditions are met:

(i) The unimproved real property is less than 1,000 square feet in size;

(ii) The zoning regulations adopted by the Zoning Commission for the District of Columbia do not allow the building of any structure on the unimproved real property as a matter of right; and

(iii) The owner of the unimproved real property also owns the Class 1 improved residential real property separated by the alley from the unimproved real property.

(2) *Class 2 Property.* —

(A) Class 2 Property shall be comprised of improved residential real property, including buildings, which:

(i) Is not occupied by the owner thereof;

(ii) Contains not more than 5 dwelling units, whether as a row, detached, or semidetached structure, or is a single dwelling unit owned as a condominium; and

(iii) Is used exclusively for nontransient residential dwelling purposes.

(B) Improved residential real property which is owned by a cooperative housing association shall also be classified as Class 2 Property, so long as less than 50% of the dwelling units are occupied by the shareholders or members of the cooperative housing association.

(C) Improved multifamily residential property which contains more than 5 dwelling units and is used exclusively for nontransient dwelling purposes shall also be classified as Class 2 Property.

(D) Unimproved real property which abuts improved residential real property qualified as Class 2 Property shall be classified as Class 2 Property if the unimproved real property and the improved residential real property which it abuts have common ownership.

(E) Unimproved real property which is separated from Class 2 improved residential real property by a public alley less than 30 feet wide shall be classified as Class 2 Property if the following conditions are met:

(i) The unimproved real property is less than 1,000 square feet in size;

(ii) The zoning regulations adopted by the Zoning Commission for the District of Columbia do not allow the building of any structure on the unimproved real property as a matter of right; and

(iii) The owner of the unimproved real property also owns the Class 2 improved residential real property separated by the alley from the unimproved real property.



(F) The Mayor may require an owner of real property to submit such information relating to the ownership of unimproved real property as in the Mayor's judgment will assist in the determination of ownership of the property as required under this section for purposes of real property classification.

(3) *Class 3 Property.* —

(A) Class 3 Property shall be comprised of improved commercial real property, including hotels, motels, inns, or any other place, which is regularly used for the purpose of furnishing rooms, lodgings, or accommodations to transients.

(B) For purposes of subparagraph (A) of this paragraph, the term "transient" means a person who is merely sojourning in the District, including a person who is visiting for a few days, or comes to the District to perform some special service or attend some special event. Any person who is furnished accommodations for a period of 90 consecutive days or more shall no longer be considered a transient but shall be considered a permanent resident of the hotel, motel, or inn.

(4) *Class 4 Property.* — Class 4 Property shall be comprised of:

(A) All improved real property, which is not Class 1 Property, Class 2 Property, or Class 3 Property;

(B) Unimproved real property, which is not Class 1 Property, Class 2 Property, or Class 3 Property, if any of the following conditions are met:

(i) The zoning regulations adopted by the Zoning Commission for the District of Columbia do not allow the building of any structure on the unimproved real property as a matter of right;

(ii) A building permit has been issued and is in effect as of July 1, 1990; or

(iii) The unimproved real property is used as a parking lot and each approval required from the District of Columbia government for use as a parking lot has been obtained;

(C) For the property tax year beginning July 1, 1991, and ending June 30, 1992, any improved or unimproved real property classified as Class 4 Property as of June 30, 1991, unless the real property qualifies as Class 1, Class 2, or Class 3;

(D) For the property tax year beginning July 1, 1991, and ending June 30, 1992, any unimproved real property that was classified as improved real property as of June 30, 1991, unless the real property qualifies as Class 1, Class 2, or Class 3; and

(E) Class 4 Property shall include, as of June 30 of the preceding tax year, the unimproved real property that is within the Northeast No. 1/Eckington Yards Special Treatment Area and the Buzzard Point/Near Southeast Development Opportunity Area, as designated on the District of Columbia Generalized Land Use Map dated November 1992 that is part of the Comprehensive Plan, provided that the real property is zoned for commercial development and the real property owner is engaged in predevelopment activities as supported by written documentation. For the purpose of this subparagraph, "the term predevelopment activities" means completion of 1 of the following:

- (i) Preparation of subdivision or large tract review applications;
- (ii) Preparation or application for District permits or authorizations to proceed with development;
- (iii) Participation in special planning or transportation studies prepared in conjunction with the District; or
- (iv) Completion of environmental assessment or mitigation studies prepared in conjunction with the District.

(5) *Class 5 Property.* —

(A) Class 5 Property shall be comprised of all unimproved real property which is not Class 1 Property, Class 2 Property, Class 3 Property, or Class 4 Property.

(B) Unimproved real property that abuts and has common ownership with real property subject to the apportionment provision of subsection (f) of this section and cannot be classified as Class 1 Property, Class 2 Property, Class 3 Property, or Class 4 Property shall also be classified as Class 5 Property.

(c-3) For the property tax year beginning October 1, 1994, and ending September 30, 1995, and for each subsequent tax year, the following classes of real property are established:

(1) *Class 1 Property.* —

(A) Class 1 Property shall be comprised of improved residential real property that:

(i)(I) Is occupied by the owner of the property; or

(II) Is unoccupied due to a major fire, flood, or other casualty to the improved real property, if the improved real property was occupied by the owner of the property at the time of the casualty, and the major fire, flood, or other casualty occurred during the 12 months preceding the tax year and was not intentionally caused by the owner;

(ii) Contains not more than 5 dwelling units, whether as a row, detached, or semidetached structure, or is a single dwelling unit owned as a condominium; and

(iii) Is used exclusively for nontransient residential dwelling purposes.

(B) Improved residential real property that is owned by a cooperative housing association shall also be classified as Class 1 Property so long as at least 50% of the dwelling units are occupied by the shareholders or members of the cooperative housing association.

(C) Class 1 Property that becomes unoccupied shall be classified as Class 2 Property if the property becomes unoccupied due to any of the following conditions:

(i) [Repealed];

(ii) The improved real property is actively for sale at a reasonable market price as of September 30 of the preceding tax year;

(iii) A building or demolition permit has been issued and building or demolition is actively pursued as of September 30 of the preceding tax year; or

(iv) The improved real property is the subject of a probate proceeding or title to the improved real property is the subject of litigation.



(D) Unimproved real property which abuts improved and occupied residential real property qualified as Class 1 Property shall be classified as Class 1 Property if the unimproved real property and the improved and occupied residential real property which it abuts have common ownership.

(E) Unimproved real property which is separated from Class 1 improved and occupied residential real property by a public alley less than 30 feet wide shall be classified as Class 1 Property if the following conditions are met:

(i) The unimproved real property is less than 1,000 square feet in size;

(ii) The zoning regulations adopted by the Zoning Commission for the District of Columbia do not allow the building of any structure on the unimproved real property as a matter of right; and

(iii) The owner of the unimproved real property also owns the Class 1 improved and occupied residential real property separated by the alley from the unimproved real property.

(2) *Class 2 Property.* —

(A) Class 2 Property shall be comprised of improved and occupied residential real property, including a building, that:

(i) Is occupied, but not by the owner;

(ii) Contains not more than 5 dwelling units, whether as a row, detached, or semidetached structure, or is a single dwelling unit owned as a condominium; and

(iii) Is used exclusively for nontransient residential dwelling purposes.

(B) Improved residential real property which is owned by a cooperative housing association shall also be classified as Class 2 Property so long as less than 50% of the dwelling units are occupied by the shareholders or members of the cooperative housing association.

(C) Improved and occupied multifamily residential real property which contains more than 5 dwelling units and is used exclusively for nontransient purposes shall also be classified as Class 2 Property.

(D) Unimproved real property which abuts improved and occupied residential real property qualified as Class 2 Property shall be classified as Class 2 Property if the unimproved real property and the improved and occupied residential real property which it abuts have common ownership.

(E) Unimproved real property which is separated from Class 2 improved and occupied residential real property by a public alley less than 30 feet wide shall be classified as Class 2 Property if the following conditions are met:

(i) The unimproved real property is less than 1,000 square feet in size;

(ii) The zoning regulations adopted by the Zoning Commission for the District of Columbia do not allow the building of any structure on the unimproved real property as a matter of right; and

(iii) The owner of the unimproved real property also owns the Class 2 improved and occupied residential real property separated by the alley from the unimproved real property.

(F) Class 2 Property that becomes unoccupied shall be classified as

Class 4 Property if it becomes unoccupied due to any of the following conditions:

(i) A major fire, flood, or other casualty to the improved real property, which was not intentionally caused by the owner, has occurred during the 12 months preceding the tax year;

(ii) A building or demolition permit has been issued and building or demolition is actively pursued as of September 30 of the preceding tax year;

(iii) The improved real property is the subject of a probate proceeding or title to the improved real property is the subject of litigation; or

(iv) An application for a necessary approval for development of the improved real property is pending, as of September 30 of the preceding tax year, before the Board of Zoning Adjustment, the Zoning Commission, the Commission of Fine Arts, the Historic Preservation Review Board, or the National Capital Planning Commission.

(G) Improved real property described in paragraph (1)(C) of this subsection.

(3) *Class 3 Property.* —

(A) Class 3 Property shall be comprised of improved and occupied commercial real property, including hotels, motels, inns, or any other place, which is regularly used for the purpose of furnishing rooms, lodgings, or accommodations to transients.

(B) For purposes of subparagraph (A) of this paragraph, the term “transient” means a person who is merely sojourning in the District, including a person who is visiting for a few days, or comes to the District to perform some special service or attend some special event. Any person who is furnished accommodations for a period of 90 consecutive days or more shall no longer be considered a transient, but shall be considered a permanent resident of the hotel, motel, or inn.

(C) Class 3 Property that becomes unoccupied shall be classified as Class 4 Property if it becomes unoccupied due to any of the following conditions:

(i) A major fire, flood, or other casualty to the improved real property, which was not intentionally caused by the owner, has occurred during the 12 months preceding the tax year;

(ii) A building or demolition permit has been issued and building or demolition is actively pursued as of September 30 of the preceding tax year;

(iii) The improved real property is the subject of a probate proceeding or title to the improved real property is the subject of litigation; or

(iv) An application for a necessary approval for development of the improved real property is pending, as of September 30 of the preceding tax year, before the Board of Zoning Adjustment, the Zoning Commission, the Commission of Fine Arts, the Historic Preservation Review Board, or the National Capital Planning Commission.

(4) *Class 4 Property.* — Class 4 Property shall be comprised of all real property which is not Class 1 Property or Class 2 Property or Class 3 Property.

(5) Repealed.

(c-4) For the real property tax year beginning October 1, 2001, and ending September 30, 2002, the following classes of real property are established:



(1) *Class 1 Property.* —

(A) Class 1 Property shall be comprised of improved residential real property that:

(i) Is occupied; and

(ii) Is used exclusively for nontransient residential dwelling purposes.

(B) Improved residential real property that is owned by a cooperative housing association shall also be classified as Class 1 Property.

(C) Improved and occupied multifamily residential real property which is used exclusively for nontransient dwelling purposes shall also be classified as Class 1 Property.

(D) Unimproved real property which abuts Class 1 Property shall be classified as Class 1 Property if the unimproved real property and the Class 1 Property have common ownership.

(E) Unimproved real property which is separated from Class 1 Property by a public alley less than 30 feet wide shall be classified as Class 1 Property if the following conditions are met:

(i) The unimproved real property is less than 1,000 square feet in size;

(ii) The zoning regulations adopted by the Zoning Commission for the District of Columbia do not allow the building of any structure on the unimproved real property as a matter of right; and

(iii) The owner of the unimproved real property also owns the Class 1 Property separated by the alley from the unimproved real property.

(F) Class 1 Property that becomes unoccupied shall remain classified as Class 1 Property if:

(i) Unoccupied due to a major fire, flood, or other casualty to the improved real property, if the improved real property was occupied at the time of the casualty, and the major fire, flood, or other casualty occurred during the 12 months preceding the tax year and was not intentionally caused by the owner;

(ii) The improved real property is actively for sale at a reasonable market price as of September 30 of the preceding tax year;

(iii) A building or demolition permit has been issued and building or demolition is actively pursued as of September 30 of the preceding tax year; or

(iv) The improved real property is the subject of a probate proceeding or title to the improved real property is the subject of litigation.

(2) *Class 2 Property.* — Class 2 Property shall be comprised of all real property which is not Class 1 Property.

(c-5) Repealed.

(c-6)(1) For tax years 2003 through 2006, the following classes of taxable real property are established:

(A) Class 1 Property;

(B) Class 2 Property; and

(C) Class 3 Property.

(2)(A) Class 1 Property shall be comprised of residential real property that:

(i) Is improved;  
 (ii) Is occupied; and  
 (iii) Is used exclusively for nontransient residential dwelling purposes.

(B) Unimproved real property which abuts Class 1 Property shall be classified as Class 1 Property if the unimproved real property and the Class 1 Property have common ownership.

(C) Residential real property that is either unoccupied or unimproved shall remain classified as Class 1 property if:

(i) The improved real property is unoccupied due to a fire, flood, or other casualty, if the property was occupied at the time of the casualty, and the fire, flood, or other casualty occurred during the 12 months preceding the tax year and was not intentionally caused by the owner or sole tenant;

(ii) The real property is actively offered for sale or rental at a reasonable market price as of September 30 of the preceding tax year or as of March 31 of the current tax year; provided, that a property which has been offered for sale or rental for more than 8 months shall be presumed not to be offered for sale or rental at a reasonable market price;

(iii) A building permit or a demolition permit has been issued and construction or demolition is actively pursued as of September 30 of the preceding tax year or as of March 31 of the current tax year;

(iv) A building permit has been issued during the 24 months preceding the current tax year;

(v) The improved real property is the subject of a probate proceeding or title to the improved real property is the subject of litigation;

(vi) An application for a necessary approval for development of the improved real property is pending, as of September 30 of the preceding tax year or as of March 31 of the current tax year, before the Board of Zoning Adjustment, the Zoning Commission for the District of Columbia, the Commission on Fine Arts, the Historic Preservation Review Board, the Mayor's Agent for Historic Preservation, or the National Capital Planning Commission;

(vii) The zoning regulations adopted by the Zoning Commission for the District of Columbia do not allow the building of any structure on the unimproved real property as a matter of right;

(viii) The unimproved real property is used as a parking lot and each approval required from the District government for use as a parking lot has been obtained;

(ix) Unimproved air rights lot that appertains to improved and occupied real property;

(x) Property is designated as a historic landmark under subchapter I of Chapter 11 of Title 6, or is the subject of an agreement that runs with the land and provides for the preservation of certain historic features of the improvement;

(xi) The unimproved real property is the subject of a public hearing on a proposed overlay zone or on a proposed downzoning of the zone district classification of the real property (other than a downzoning under § 1-301.67 or § 1-301.68 [see now § 1-306.01 et seq.]); or



(xii) The unimproved real property is encumbered by a deed of trust that was recorded during the 24 months preceding the current tax year.

(D) Unimproved real property which is separated from Class 1 Property by a public alley less than 30 feet wide shall be classified as Class 1 Property if:

(i) The unimproved real property is less than 1,000 square feet;

(ii) The zoning regulations adopted by the Zoning Commission for the District of Columbia do not allow the building of any structure on the unimproved real property as a matter of right; and

(iii) The owner of the unimproved real property also owns the Class 1 Property separated by the alley from the unimproved real property.

(E) Real property owned by a qualifying nonprofit housing organization under § 47-3505(a) shall be classified as Class 1 property.

(3)(A) Class 2 Property shall be comprised of commercial real property that is improved and occupied.

(B) Unimproved real property which abuts Class 2 Property shall be classified as Class 2 Property if the unimproved real property and the Class 2 Property have common ownership.

(C) Commercial real property that is unimproved or unoccupied shall remain classified as Class 2 Property if:

(i) The improved real property is unoccupied due to a fire, flood, or other casualty, if the property was occupied at the time of the casualty, and the fire, flood, or other casualty occurred during the 12 months preceding the tax year and was not intentionally caused by the owner or sole tenant;

(ii) The real property is actively offered for sale or rental at a reasonable market price as of September 30 of the preceding tax year or as of March 31 of the current tax year; provided, that a property which has been offered for sale or rental for more than 8 months shall be presumed not to be offered for sale or rental at a reasonable market price;

(iii) A building permit or a demolition permit has been issued and building or demolition is actively pursued as of September 30 of the preceding tax year or as of March 31 of the current tax year;

(iv) A building permit has been issued during the 24 months preceding the current tax year;

(v) The improved real property is the subject of a probate proceeding or title to the improved real property is the subject of litigation;

(vi) An application for a necessary approval for development of the real property is pending, as of September 30 of the preceding tax year or as of March 31 of the current tax year, before the Board of Zoning Adjustment, the Zoning Commission for the District of Columbia, the Commission on Fine Arts, the Historic Preservation Board, the Mayor's Agent for Historic Preservation, or the National Capital Planning Commission;

(vii) The zoning regulations adopted by the Zoning Commission for the District of Columbia do not allow the building of any structure on the unimproved real property as a matter of right;

(viii) The unimproved real property is used as a parking lot and each approval required from the District government for use as a parking lot has been obtained;

(ix) An unimproved air rights lot that appertains to improved and occupied real property;

(x) Property is designated as a historic landmark under subchapter I of Chapter 11 of Title 6, or is the subject of an agreement that runs with the land and provides for the preservation of certain historic features of the improvement;

(xi) The unimproved real property is the subject of a public hearing on a proposed overlay zone or on a proposed downzoning of the zone district classification of the real property (other than a downzoning under § 1-301.67 or § 1-301.68 [see now § 1-306.01 et seq.]); or

(xii) The unimproved real property is encumbered by a deed of trust that was recorded during the 24 months preceding the current tax year.

(D) Class 2 Property shall include, as of September 30 of the preceding tax year, the unimproved real property that is within the Northeast No. 1/Eckington Yards Special Treatment Area and the Buzzard Point/Near Southeast Development Opportunity Area, as designated on the current District of Columbia Generalized Land Use Map that is part of the Comprehensive Plan; provided, that the real property is zoned for commercial development and the real property owner is engaged in predevelopment activities as supported by written documentation. For the purpose of this subparagraph, the term “predevelopment activities” means completion of one of the following:

(i) Preparation of subdivision or large tract review applications;

(ii) Preparation or application for District of Columbia permits or authorizations to proceed with development;

(iii) Participation in special planning or transportation studies prepared in conjunction with the District of Columbia; or

(iv) Completion of environmental assessment or mitigation studies prepared in conjunction with the District of Columbia.

(E) Unimproved real property which is separated from Class 2 Property by a public alley less than 30 feet wide shall be classified as Class 2 Property if:

(i) The unimproved real property is less than 1,000 square feet;

(ii) The zoning regulations adopted by the Zoning Commission for the District of Columbia do not allow the building of any structure on the unimproved real property as a matter of right; and

(iii) The owner of the unimproved real property also owns the Class 2 Property separated by the alley from the unimproved real property.

(4) Class 3 Property shall be comprised of all real property which cannot be classified as either Class 1 Property or Class 2 Property.

(c-7)(1) For tax year 2007 and thereafter, the following classes of taxable real property are established:

(A) Class 1 Property;

(B) Class 2 Property; and

(C) Class 3 Property.

(2)(A) Except as otherwise provided in this paragraph, Class 1 Property shall be comprised of residential real property that is improved and used



exclusively for nontransient residential dwelling purposes; provided, that the improved and nontransient real property shall not be classified as Class 1 Property if it appears on the list compiled under § 42-3131.16.

(B) Unimproved real property benefiting from an exemption under subsection (c-6)(2)(C) of this section on December 27, 2006 shall continue to benefit from the exemption and be classified as Class 1 Property for the duration permitted under that subsection; provided, that the exemption shall not be valid after September 30, 2007; provided further, that the unimproved real property may qualify for an exemption in effect after December 28, 2006 and subject to the time restriction and exclusion set forth in subparagraph (E)(ii)(II) of this paragraph.

(C) Real property used as a parking lot shall be classified as Class 1 Property if it appertains to improved Class 1 Property and if each approval required from the District government for use as a parking lot has been obtained.

(D) Unimproved real property which abuts Class 1 Property shall be classified as Class 1 Property if the real property and the Class 1 Property have common ownership.

(E)(i) Unimproved, residential real property shall be classified as Class 1 Property if:

(I) The real property is actively offered for sale or rental at a reasonable market price as of September 30 of the preceding tax year or as of March 31 of the current tax year; provided, that a real property which has been offered for sale for more than 8 months shall be presumed not to be offered for sale at a reasonable market price, and a rental offered for rental for more than 90 days shall be presumed not to be offered for rental at a reasonable market price;

(II) A building permit to construct at least one nontransient dwelling unit has been issued and construction is actively pursued as of September 30 of the preceding tax year or as of March 31 of the current tax year;

(III) The zoning regulations adopted by the Zoning Commission for the District of Columbia do not allow the building of any structure on the real property as a matter of right;

(IV) The unimproved air rights lot appertains to improved Class 1 Property;

(V) For a period not to exceed 12 months, the real property is the subject of a pending application for a necessary approval for development before the Board of Zoning Adjustment, the Zoning Commission for the District of Columbia, the Commission on Fine Arts, the Historic Preservation Review Board, the Mayor's Agent for Historic Preservation, the Department of Public Works, or the National Capital Planning Commission; or

(VI) For a period not to exceed 12 months, the real property is encumbered by a deed of trust that was recorded during the 12 months preceding the current tax year.

(ii)(I) Classification of unimproved real property as Class 1 Property pursuant to sub-subparagraph (i)(I), (II), (III), or (IV) of this subparagraph shall not exceed 3 tax years under the same, substantially similar, or related ownership.

(II) Notwithstanding sub-sub-subparagraph (I) of this sub-subparagraph, unimproved real property under the same, substantially similar, or related ownership that qualified for and benefited from an exemption under sub-subparagraph (i) of this subparagraph or under subsection (c-6)(2)(C) or (c-6)(2)(E) of this section, other than under sub-subparagraph (i)(V) or (VI) of this subparagraph or a similar provision of subsection (c-6)(2)(C), for 3 or more tax years shall no longer be classified as Class 1 Property beginning in tax year 2008.

(III) For purposes of this sub-subparagraph, ownership shall be related if a deduction for a loss from the sale or exchange of properties between taxpayers would be disallowed under section 267 of the Internal Revenue Code of 1986, approved August 16, 1954 (68A Stat. 78; 26 U.S.C. § 267); provided, that the exclusion under section 267(a)(1) for a loss in a distribution in a complete liquidation shall not apply.

(F) Unimproved real property which is separated from Class 1 Property by a public alley less than 30 feet wide shall be classified as Class 1 Property if:

- (i) The real property is less than 1,000 square feet;
- (ii) The zoning regulations adopted by the Zoning Commission for the District of Columbia do not allow the building of any structure on the real property as a matter of right; and
- (iii) The real property and the Class 1 Property separated by the alley from the real property have common ownership.

(3)(A) Except as otherwise provided in this paragraph, Class 2 Property shall be comprised of improved commercial real property; provided, that such improved real property shall not be classified as Class 2 Property if it appears on the list compiled under § 42-3131.16.

(B) Unimproved real property benefiting from an exemption under subsection (c-6)(3)(C) of this section on December 27, 2006 shall continue to benefit from the exemption and be classified as Class 2 Property for the duration permitted under subsection (c-6)(3)(c) of this section; provided, that the exemption shall not be valid after September 30, 2007; provided further, that the unimproved real property may qualify for an exemption in effect after December 28, 2006 and subject to the time restriction and exclusion set forth in subparagraph (E)(ii)(II) of this paragraph.

(C) Real property used as a parking lot shall be classified as Class 2 Property if each approval required from the District government for use as a parking lot has been obtained.

(D) Unimproved real property which abuts Class 2 Property shall be classified as Class 2 Property if the real property and the Class 2 Property have common ownership.

(E)(i) Unimproved, commercial real property shall be classified as Class 2 Property if:

- (I) The real property is actively offered for sale or rental at a reasonable market price as of September 30 of the preceding tax year or as of March 31 of the current tax year, provided, that a real property which has been offered for sale for more than 8 months shall be presumed not to be offered for



sale at a reasonable market price, and a rental offered for rental for more than 90 days shall be presumed not to be offered for rental at a reasonable market price;

(II) A building permit to construct an improvement or a parking lot has been issued and construction is actively pursued as of September 30 of the preceding tax year or as of March 31 of the current tax year;

(III) The zoning regulations adopted by the Zoning Commission for the District of Columbia do not allow the building of any structure on the real property as a matter of right;

(IV) The unimproved air rights lot appertains to improved Class 2 Property; or

(V) For a period not to exceed 12 months, the real property is the subject of a pending application for a necessary approval for development before the Board of Zoning Adjustment, the Zoning Commission for the District of Columbia, the Commission on Fine Arts, the Historic Preservation Review Board, the Mayor's Agent for Historic Preservation, the Department of Public Works, or the National Capital Planning Commission; or

(VI) For a period not to exceed 12 months, the real property is encumbered by a deed of trust that was recorded during the 12 months preceding the current tax year.

(ii)(I) Classification of unimproved real property as Class 2 Property pursuant to sub-subparagraph (i)(I), (II), or (III) of this subparagraph shall not exceed 3 tax years under the same, substantially similar, or related ownership.

(II) Notwithstanding sub-subparagraph (I) of this sub-subparagraph, unimproved real property under the same, substantially similar, or related ownership that qualified for and benefited from an exemption under sub-subparagraph (i) of this subparagraph or under subsection (c-6)(3)(C) of this section, other than under sub-subparagraph (i)(IV) or (V) of this subparagraph or under a similar provision of subsection (c-6)(3)(C) of this section, for 3 or more tax years shall no longer be classified as Class 2 Property beginning in tax year 2008.

(III) For purposes of this sub-subparagraph, ownership shall be related if a deduction for a loss from the sale or exchange of properties between taxpayers would be disallowed under section 267 of the Internal Revenue Code of 1986, approved August 16, 1954 (68A Stat. 78; 26 U.S.C. § 267); provided, that the exclusion under section 267(a)(1) for a loss in a distribution in a complete liquidation shall not apply.

(F) Unimproved real property which is separated from Class 2 Property by a public alley less than 30 feet wide shall be classified as Class 2 Property if:

(i) The real property is less than 1,000 square feet;

(ii) The zoning regulations adopted by the Zoning Commission for the District of Columbia do not allow the building of any structure on the real property as a matter of right; and

(iii) The real property and the Class 2 Property separated by the alley from the real property have common ownership.

(G) Class 2 Property shall include, as of September 30 of the preceding tax year, the unimproved real property that is within the Northeast No.

1/Eckington Yards Special Treatment Area and the Buzzard Point/Near Southeast Development Opportunity Area, as designated on the current District of Columbia Generalized Land Use Map that is part of the Comprehensive Plan; provided, that the real property is zoned for commercial development and the real property owner is engaged in predevelopment activities as supported by written documentation. For the purpose of this subparagraph, the term "predevelopment activities" means completion of one of the following:

- (i) Preparation of subdivision or large tract review applications;
- (ii) Preparation or application for District of Columbia permits or authorizations to proceed with development;
- (iii) Participation in special planning or transportation studies prepared in conjunction with the District of Columbia; or
- (iv) Completion of environmental assessment or mitigation studies prepared in conjunction with the District of Columbia.

(4) Class 3 Property shall be comprised of all real property which cannot be classified as Class 1 Property or Class 2 Property.

(c-8)(1) For tax year 2011 and thereafter, the following classes of taxable real property are established:

- (A) Class 1 Property;
- (B) Class 2 Property;
- (C) Class 3 Property; and
- (D) Class 4 Property.

(2)(A) Except as otherwise provided in this paragraph and subject to paragraphs (4) and (5) of this subsection, Class 1 Property shall be comprised of residential real property that is improved and its legal use (or in the absence of use, its highest and best permitted legal use) is for nontransient residential dwelling purposes.

(B) Unimproved real property located within a zone designated as residential shall be classified as Class 1 Property.

(C) Real property used as a parking lot shall be classified as Class 1 Property if it appertains to improved Class 1 Property and if each approval required from the District government for use as a parking lot has been obtained.

(D) Unimproved real property that abuts Class 1 Property shall be classified as Class 1 Property if the real property and the Class 1 Property have common ownership.

(E) Repealed.

(F) Unimproved real property that is separated from Class 1 Property by a public alley less than 30 feet wide shall be classified as Class 1 Property if:

- (i) The real property is less than 1,000 square feet;
- (ii) The zoning regulations adopted by the Zoning Commission for the District of Columbia do not allow the building of any structure on the real property as a matter of right; and
- (iii) The real property and the Class 1 Property separated by the alley from the real property have common ownership.



(3) Class 2 Property shall be comprised of all real property which is not Class 1 Property, Class 3 Property, or Class 4 Property.

(4)(A) Class 3 Property shall be comprised of all improved real property that appears on the list compiled under § 42-3131.16.

(B) The Office of Tax and Revenue may request the Mayor to inspect the improved real property to determine whether the property is correctly included on the list compiled under § 42-3131.16.

(5)(A) Class 4 Property shall be comprised of all improved real property that appears on the list compiled under § 42-3131.17.

(B) The Office of Tax and Revenue may request the Mayor to inspect the improved real property to determine whether the property is correctly included on the list compiled under § 42-3131.17.

(d) For purposes of this section:

(1) The term “condominium” means the ownership of a single dwelling unit in a horizontal property regime as that term is used in § 42-2003.

(2) The term “cooperative housing association” means an association, whether incorporated or unincorporated, organized for the purpose of owning and operating residential real property, the shareholders or members of which, by reason of their ownership of a stock or membership certificate, a proprietary lease or other evidence of membership, are entitled to occupy a single dwelling unit pursuant to the terms of a proprietary lease or occupancy agreement.

(3) The term “dwelling unit” means any room or group of rooms forming a single unit which is used for living, sleeping, and the preparation and eating of meals.

(4) The term “nontransient” means occupancy of a dwelling unit or units by any person for a period of more than 5 consecutive days during any 1 stay in such unit.

(5) [Repealed].

(d-1) For the purposes of this section:

(1) Repealed.

(2) Repealed.

(3) [Repealed].

(3A) [Repealed].

(4) Repealed.

(4A) The determination that real property belongs on a list compiled under § 42-3131.16 or § 42-3131.17 (and, indirectly, its Class 3 or 4 Property classification) shall only be appealed as prescribed under § 42-3131.15, notwithstanding any other provision of law. A notice of final determination by the Mayor shall be a prerequisite before an appeal to the Real Property Tax Appeals Commission for the District of Columbia may be taken.

(4B) The classification of Class 3 or 4 Property in the notice of proposed assessment under § 47-824 and § 47-829 shall not be appealed under the provisions applicable to the appeal of such notice and any statement in such notice that the real property shall be classified as other than Class 3 or 4 Property shall not be effective, notwithstanding any other provision of law.

(5)(A) Repealed.

(A-i)(i) Whenever the classification of improved real property that

appears on a list compiled under § 42-3131.16 or § 42-3131.17 shall change to Class 3 or Class 4 Property:

(I) The owner shall notify the Department of Consumer and Regulatory Affairs within 30 days of the change by making application to register the property as vacant under §§ 42-3131.06 and 42-3131.07, which the change in classification of the real property to Class 3 or 4 Property shall be retroactive to the half tax year during which one of the following first occurred:

(aa) The owner of the real property registered the real property as vacant under § 42-3131.06; or

(bb) The owner of real property received a notice of final determination under § 42-3131.15;

(II) The Office of Tax and Revenue shall re-classify the real property without limitation for each tax year or half tax year after receipt of the list under § 42-3131.16 or § 42-3131.17; and

(III) Penalty and interest as prescribed under § 47-811(c) shall be assessed beginning 30 days after the date of the real property tax bill that issues after any administrative appeals have been exhausted.

(ii) Whenever improved real property that appears on a list compiled under § 42-3131.16 or § 42-3131.17 shall cease to be Class 3 or Class 4 Property, the owner shall notify the Department of Consumer and Regulatory Affairs within 30 days after the change in the manner as may be prescribed by the Mayor. If the request for a change in classification is approved, the change in classification of the real property from Class 3 Property shall be retroactive to the half tax year when the Department of Consumer and Regulatory Affairs was so notified. If the request is denied, the owner shall have a right to administrative review of the determination as provided under § 42-3131.15.

(B) Notwithstanding subparagraph (A-i) of this paragraph, if the real property is transferred and continued to qualify for the classification 30 days or less before the date of execution of the deed of transfer, the grantor shall not be required to notify the applicable agency of the change in classification.

(C) If the tax is paid within 30 days of the corresponding bill, timely notification of the change in classification shall preclude assessment of penalty and interest.

(6) If Class 3 Property or Class 4 Property changes classification during the period October 1 through March 31 of the tax year, the Class 3 Property or Class 4 Property shall be taxed at the rate of the new classification for the entire tax year. If Class 3 Property or Class 4 Property changes classification during the period April 1 through September 30, the Class 3 Property or Class 4 Property shall be taxed at the rate of the new classification for the second installment only.

(7)(A) The Mayor may contract with a collection agency inside or outside of the District to verify the contents of any filings and returns and the eligibility of the real property to a classification under this section.

(B) All funds collected by the collection agency and belonging to the District shall be remitted to the Mayor not less than once a month. Forms to be utilized for the remittances may be prescribed by the Mayor. The Mayor may require that the collection agency furnish a bond securing compliance with the provisions of this paragraph and the contract with the District.



(C) At the discretion of the Mayor:

(i) The collection agency may charge a collection fee not in excess of 25% of the total amount of the delinquent taxes, excluding penalties and interest, that is actually collected; or

(ii) The collection agency may be remunerated by fee, percentage of taxes collected, or both.

(D) Notwithstanding any other provision contained in this title, confidential information related to the owner of the real property may be provided to a collection agency for purposes of collecting a delinquent tax under this section. If the information is provided to a collection agency under this paragraph, the collection agency shall not disclose the information to a third party, other than the owner (or his or her representative), unless the Mayor would be authorized by law to make the disclosure. A collection agency, or employee of a collection agency, violating the provisions of this subsection shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than \$1,000, or imprisoned for not more than 180 days, or both. All prosecutions under this paragraph shall be brought in the Superior Court of the District of Columbia on information by the Attorney General for the District of Columbia in the name of the District of Columbia.

(d-2) If real property tax is owing as a result of a change in classification to Class 3 Property or Class 4 Property, the following shall apply:

(1) If the real property was transferred, the grantor shall be personally liable for the amount of the delinquent real property tax which was not paid timely during the period when the grantor owned the real property, together with interest and penalty at the same rate as provided in this chapter for the late payment of real property tax. The tax shall be considered due on the date that the total amount of real property tax was due but unpaid because of the erroneous or improper classification, and shall be collected in the manner prescribed under Chapter 44.

(2) Notwithstanding paragraph (1) of this subsection, if the real property was transferred and the grantee failed to record timely a deed under § 47-1431, the real property shall be liable for the amount of the delinquent real property tax which was not paid timely, together with interest and penalty as provided in this chapter for the late payment of real property tax.

(3) In all other cases, the real property shall be liable for the amount of the delinquent real property tax which was not paid timely, together with interest and penalty as provided in this chapter for the late payment of real property tax.

(e) Repealed.

(f)(1) Commencing with the property tax year beginning July 1, 1980, and ending June 30, 1981, and for each tax year thereafter, when the uses of real property fall within more than 1 of the classes enumerated in this section, the total assessed value of the property shall be apportioned into the appropriate classes of real property as defined in this section, and each of the areas resulting from the apportionment shall be taxed at the appropriate real property tax rate.

(2) For purposes of this subsection, the Mayor shall devise a method for apportioning, by class, real property whose uses fall within more than 1 class.

The Mayor may require an owner of real property to submit, at a time and in a form prescribed, such information relating to the uses of property as in the Mayor's judgment will assist in the apportionment of property by class for real property classification purposes as required by this section.

(Sept. 3, 1974, 88 Stat. 1052, Pub. L. 93-407, title IV, § 412a, as added Nov. 20, 1979, D.C. Law 3-37, § 2(b), 26 DCR 1564; July 24, 1982, D.C. Law 4-129, § 3, 29 DCR 2405; Mar. 14, 1984, D.C. Law 5-60, § 2, 31 DCR 108; Nov. 19, 1985, D.C. Law 6-51, § 3(b), (c), 32 DCR 5681; Sept. 20, 1990, D.C. Law 8-160, § 2(a), 37 DCR 4653; Sept. 27, 1990, D.C. Law 8-172, § 2(a), 37 DCR 4844; Mar. 7, 1992, D.C. Law 9-62, § 2(a), 38 DCR 7291; Oct. 7, 1992, D.C. Law 9-177, § 3, 39 DCR 5868; Sept. 30, 1993, D.C. Law 10-25, § 102, 40 DCR 5489; Jan. 26, 1994, D.C. Law 10-66, § 3, 40 DCR 7358; Feb. 5, 1994, D.C. Law 10-68, § 41, 40 DCR 6311; Sept. 24, 1994, D.C. Law 10-178, § 5, 41 DCR 5205; Sept. 26, 1995, D.C. Law 11-52, § 107, 42 DCR 3684; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Oct. 20, 1999, D.C. Law 13-38, § 2702(c), 46 DCR 6373; June 9, 2001, D.C. Law 13-305, § 502(e), (f), 48 DCR 334; June 25, 2002, D.C. Law 14-147, § 2(b), 49 DCR 4219; June 5, 2003, D.C. Law 14-307, § 1303(b), 49 DCR 11664; Apr. 22, 2004, D.C. Law 15-148, § 2, 51 DCR 2605; Apr. 13, 2005, D.C. Law 15-354, § 73(b)(1), 52 DCR 2638; Oct. 20, 2005, D.C. Law 16-33, § 1281(a)(2), 52 DCR 7503; Aug. 15, 2008, D.C. Law 17-216, § 4(b), 55 DCR 7500; Mar. 3, 2010, D.C. Law 18-111, § 7102, 57 DCR 181; Sept. 24, 2010, D.C. Law 18-223, § 2043(b), 57 DCR 6242; Apr. 8, 2011, D.C. Law 18-363, § 3(g)(2), 58 DCR 963.)

**Cross references.** — Deed recordation tax, exemptions, see § 42-1102.

Economic development zone incentives, classification of improved real property, see § 6-1503.

Lower income homeownership tax abatement, shared equity financing agreements, reclassification of real property under agreements not meeting statutory requirements, see § 47-3504.

Parking districts, real property owners authorized to petition for parking district, see § 50-2511.

**Section references.** — This section is referred to in §§ 47-812, 47-815, 47-820, 47-823, 47-825.01, 47-829, 47-830, 47-845, 47-849, 47-850.02, 47-857.01, 47-863, 47-871, and 47-100.

**Prior Codifications.** — 1981 Ed., § 47-813. 1973 Ed., § 47-632.1.

**Effect of amendments.** — D.C. Law 13-38, in subsec. (c-3), substituted as the description of Class 4 Property "Class 4 Property shall be comprised of all real property which is not Class 1 Property or Class 2 Property or Class 3 Property." for "Class 4 Property shall be comprised of all real property, which is not Class 1 Property, Class 2 Property or Class 3 Property."; added subsections. (c-4) and (c-5); in subsec. (d) struck the phrase "For the purposes of subsections (b), (c), (c-1), (c-2), and (c-3)" and

inserted the phrase "For the purposes of subsections (b), (c), (c-1), (c-2), (c-3), and (c-4)" in its place; in subsec. (d-1) struck in the introduction "For the purposes of subsection (c-3)" and inserted the phrase "For the purposes of subsections (c-3) and (c-4)" in its place; in subsec. (d)(6) struck the phrase "in accordance with the provisions of subsection (c-3)" and inserted the phrase "in accordance with the provisions of subsections (c-3) and (c-4)" in its place; in subsec. (e)(1) struck the phrase "classification of real property under subsections (b), (c), (c-1), (c-2), and (c-3)" and inserted the phrase "classification of real property under subsections (b), (c), (c-1), (c-2), (c-3), and (c-4)" in its place; and, in subsec. (f)(1) struck the phrase "subsections (c), (c-1), (c-2), and (c-3)", wherever it appears, and inserted the phrase "subsections (c), (c-1), (c-2), (c-3), and (c-4)" in its place.

Section 2703(a) of D.C. Law 13-38 provided: "Section 2702(c)(1) shall apply for tax years beginning after September 30, 1999."

D.C. Law 13-305, in subsections. (c-3) and (c-4), substituted "September 30" for "June 30" wherever it appeared.

D.C. Law 14-147, repealed subsec. (c-3)(5); amended subsec. (d-1) by repealing par. (2), rewriting pars. (5) and (6), and adding par. (7); added subsec. (d-2); and repealed subsec. (e).

D.C. Law 14-307, in subsec. (c-4), substituted "For the real property tax year beginning Octo-



ber 1, 2001, and ending September 30, 2002” for “Except as provided by subsection (c-5) of this section, for the property tax year beginning October 1, 2001, and ending September 1, 2002, and for each subsequent tax year”; repealed subsec. (c-5); added subsec. (c-6); in subsec. (d), substituted “purposes” for “purposes of subsections (b), (c), (c-1), (c-2), (c-3), and (c-4)”, and added par. (5); in subsec. (d-1), substituted “purposes of this section” for “purposes of (c-3) and (c-4) of this section” in the lead-in text, repealed par. (1), rewrote par. (3), added par. (3A), repealed par. (4), and deleted the last sentence in par. (5)(A); and, in subsec. (f)(1), deleted “subsections (c), (c-1), (c-2), (c-3), and (c-4) of” both times it appears.

D.C. Law 15-148 rewrote subsec. (c-6).

D.C. Law 15-354 substituted “Attorney General for the District of Columbia” for “Corporation Counsel”; and validated a previously made technical correction in subsec. (d-1)(3A)(B)(iii).

D.C. Law 16-33, added subsec. (c-6)(2)(E).

D.C. Law 17-216, in subsec. (c-6)(1), substituted “tax years 2003 through 2006” for “the real property tax year beginning October 1, 2002, and ending September 30, 2003, and for each subsequent tax year”; added subsections. (c-7), (d-1)(4)(A), (B); repealed subsections. (d)(5) and (d-1)(3), (5)(a-i); rewrote subsections. (d-1)(3A)(A), (5); in subsec. (d-1)(6), substituted “Class 3 Property” for “real property”; and, in subsec. (d-2), substituted “a change in classification to Class 3 Property” for “an erroneous or improper classification”.

D.C. Law 18-111 added subsec. (c-8).

D.C. Law 18-223 rewrote subsections. (c-8) and (d-1); and, in subsec. (d-2), substituted “Class 3 Property or Class 4” for “Class 3”.

D.C. Law 18-363, in subsec. (d-1)(4A), substituted “Real Property Tax Appeals Commission for the District of Columbia” for “Board of Real Property Assessments and Appeals”.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2(a) of District of Columbia Real Property Tax Reclassification Amendment Temporary Act of 1990 (D.C. Law 8-146, July 25, 1990, law notification 37 DCR 5134).

For temporary (225 day) amendment of section, see § 2 of Real Property Classification Temporary Amendment Act of 1991 (D.C. Law 9-21, August 17, 1991, law notification 38 DCR 5788).

For temporary (225 day) amendment of section, see § 2 of District of Columbia Real Property Tax Revision Temporary Amendment Act of 1992 (D.C. Law 9-113, May 21, 1992, law notification 39 DCR 3809).

For temporary (225 day) amendment of section, see § 102 of Omnibus Budget Support Temporary Act of 1993 (D.C. Law 10-11, August 6, 1993, law notification 40 DCR 6213).

For temporary (225 day) amendment of section, see § 2 of Real Property Tax Reclassification Temporary Amendment Act of 1995 (D.C. Law 11-70, October 27, 1995, law notification 42 DCR 6175).

For temporary (225 day) amendment of section, see § 2(a) of Homestead and Senior Citizen Real Property Tax Temporary Act of 2001 (D.C. Law 14-4, June 13, 2001, law notification 48 DCR 5912).

For temporary (225 day) amendment of section, see § 2(f), (g) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

For temporary (225 day) amendment of section, see § 2(b) of Homestead and Senior Citizen Real Property Tax Temporary Act of 2001 (D.C. Law 14-92, March 19, 2002, law notification 49 DCR 2997).

For temporary (225 day) amendment of section, see § 102(b) of Tax Parity Rates and Unincorporated Business Franchise Tax Rate Clarification Temporary Act of 2002 (D.C. Law 14-163, June 25, 2002, law notification 49 DCR 6499).

For temporary (225 day) amendment of section, see § 2 of Real Property Classification Clarification Temporary Act of 2002 (D.C. Law 14-275, April 2, 2003, law notification 50 DCR 3374).

For temporary (225 day) amendment of section, see § 2 of Real Property Classification Clarification Temporary Act of 2003 (D.C. Law 15-95, March 10, 2004, law notification 51 DCR 3615).

Section 4(a) of D.C. Law 16-259 amended this section.

Section 7(b) of D.C. Law 16-259 provided that the act shall expire after 225 days of its having taken effect.

Section 4(a) of D.C. Law 17-102 amended this section.

Section 7(b) of D.C. Law 17-102 provides that the act shall expire after 225 days of its having taken effect.

Section 3 of D.C. Law 18-153 amended (c-8).

Section 6(b) of D.C. Law 18-153 provided that the act shall expire after 225 days of its having taken effect.

**Temporary Addition of Section** — Section 2 of D.C. Law 19-9 added D.C. Law 18-363, § 3a, to read as follows:

“Sec. 3a. Applicability. Sections 2 and 3 shall apply as of October 1, 2011.”

Section 4(b) of D.C. Law 19-9 provided that the act shall expire after 225 days of its having taken effect.

Section 2 of D.C. Law 19-75 added D.C. Law 18-363, § 3a, to read as follows:

“Sec. 3a. Applicability; transition. (a) Sections 2 and 3 shall apply upon Council approval and appointment by the Mayor of a full-time

Chairperson and a full-time Vice Chairperson to the Real Property Tax Appeals Commission for the District of Columbia.

“(b) Notwithstanding subsection (a) of this section, the Mayor shall appoint the members of the Real Property Tax Appeals Commission for the District of Columbia with the advice and consent of the Council in accordance with the provisions of section 2(b)(3).”

Section 8(b) of D.C. Law 19-75 provided that the act shall expire after 225 days of its having taken effect.

**Temporary Repeal of Section.** — Section 6 of D.C. Law 19-75 repealed D.C. Law 19-9.

**Emergency legislation.** — For temporary amendment of section, see § 107 of the Omnibus Budget Support Congressional Review Emergency Act of 1995 (D.C. Act 11-124, July 27, 1995, 42 DCR 4160).

For temporary (90-day) amendment of section, see §§ 2702(c) and 2703(a) of the Service Improvement and Fiscal Year 2000 Budget Support Emergency Act of 1999 (D.C. Act 13-110, July 28, 1999, 46 DCR 6320).

For temporary (90 day) amendment of section, see § 2(a) of Homestead and Senior Citizen Real Property Tax Emergency Act of 2001 (D.C. Act 14-21, March 16, 2001, 48 DCR 2703).

For temporary (90 day) amendment of section, see § 2(e), (f) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see §§ 2(b), 3 of Homestead and Senior Citizen Real Property Tax Emergency Act of 2001 (D.C. Act 14-190, November 29, 2001, 48 DCR 11219).

For temporary (90 day) amendment of section, see § 2(b) of Homestead and Senior Citizen Real Property Tax Legislative Review Emergency Act of 2001 (D.C. Act 14-226, January 8, 2002, 49 DCR 668).

For temporary (90 day) amendment of section, see § 102(b) of Tax Parity Rates and Unincorporated Business Franchise Tax Rate Clarification Emergency Act of 2002 (D.C. Act 14-309, March 25, 2002, 49 DCR 3416).

For temporary (90 day) amendment of section, see §§ 1303(b) and 1304 of Fiscal Year 2003 Budget Support Amendment Emergency Act of 2002 (D.C. Act 14-544, December 4, 2002, 49 DCR 11700).

For temporary (90 day) amendment of section, see § 2 of Real Property Classification Clarification Emergency Act of 2002 (D.C. Act 14-547, December 17, 2002, 50 DCR 216).

For temporary (90 day) amendment of section, see §§ 1303(b) and 1304 of the Fiscal Year 2003 Budget Support Amendment Congressional Review Emergency Act of 2003 (D.C. Act 15-27, February 24, 2003, 50 DCR 2151).

For temporary (90 day) amendment of section, see § 2 of the Real Property Classification Clarification Congressional Review Emergency Act of 2003 (D.C. Act 15-35, March 24, 2003, 50 DCR 2570).

For temporary (90 day) amendment of section, see §§ 1303(b) and 1304 of Fiscal Year 2003 Budget Support Amendment Second Congressional Review Emergency Act of 2003 (D.C. Act 15-103, June 20, 2003, 50 DCR 5499).

For temporary (90 day) amendment of section, see § 2 of Real Property Classification Clarification Emergency Act of 2003 (D.C. Act 15-228, November 25, 2003, 50 DCR 10714).

For temporary (90 day) amendment of section, see §§ 1281(a)(1), 1282, 1283 of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

For temporary (90 day) amendment of section, see § 4(a) of Nuisance Properties Abatement Reform and Real Property Classification Emergency Amendment Act of 2006 (D.C. Act 16-586, December 28, 2006, 54 DCR 353).

For temporary (90 day) amendment of section, see § 4(a) of Nuisance Properties Abatement Reform and Real Property Classification Emergency Amendment Act of 2007 (D.C. Act 17-173, November 2, 2007, 54 DCR 11204).

For temporary (90 day) amendment of section, see § 4(a) of Nuisance Properties Abatement Reform and Real Property Classification Congressional Review Emergency Act of 2008 (D.C. Act 17-436, July 16, 2008, 55 DCR 8272).

For temporary (90 day) amendment of section, see § 7102 of Fiscal Year 2010 Budget Support Second Emergency Act of 2009 (D.C. Act 18-207, October 15, 2009, 56 DCR 8234).

For temporary (90 day) amendment of section, see § 7102 of Fiscal Year Budget Support Congressional Review Emergency Amendment Act of 2009 (D.C. Act 18-260, January 4, 2010, 57 DCR 345).

For temporary (90 day) amendment of section, see § 3, of Real Property Tax Reform Emergency Amendment Act of 2009 (D.C. Act 18-313, February 22, 2010, 57 DCR 1645).

For temporary (90 day) amendment of section, see § 2043(b) of Fiscal Year 2011 Budget Support Emergency Act of 2010 (D.C. Act 18-463, July 2, 2010, 57 DCR 6542).

**Legislative history of Law 3-37.** — For legislative history of D.C. Law 3-37, see Historical and Statutory Notes following § 47-812.

**Legislative history of Law 4-129.** — For legislative history of D.C. Law 4-129, see Historical and Statutory Notes following § 47-850.

**Legislative history of Law 5-60.** — Law 5-60, the “Residential Gardens and Open Space Real Property Tax Classification Amendment Act of 1983,” was introduced in Council and assigned Bill No. 5-238, which was referred to the Committee on Finance and Revenue. The



Bill was adopted on first and second readings on November 15, 1983 and December 6, 1983, respectively. Signed by the Mayor on December 23, 1983, it was assigned Act No. 5-91 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 6-51.** — For legislative history of D.C. Law 6-51, see Historical and Statutory Notes following § 47-812.

**Legislative history of Law 8-160.** — Law 8-160, the “District of Columbia Real Property Tax Reclassification Amendment Act of 1990,” was introduced in Council and assigned Bill No. 8-537, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on May 29, 1990, and June 12, 1990, respectively. Signed by the Mayor on June 29, 1990, it was assigned Act No. 8-223 and transmitted to both Houses of Congress for its review. D.C. Law 8-160 became effective on September 30, 1990.

**Legislative history of Law 8-172.** — For legislative history of D.C. Law 8-172, see Historical and Statutory Notes following § 47-812.

**Legislative history of Law 9-62.** — For legislative history of D.C. Law 9-62, see Historical and Statutory Notes following § 47-812.

**Legislative history of Law 9-177.** — For legislative history of D.C. Law 9-177, see Historical and Statutory Notes following § 47-812.

**Legislative history of Law 10-25.** — For legislative history of D.C. Law 10-25, see Historical and Statutory Notes following § 47-802.

**Legislative history of Law 10-66.** — For legislative history of D.C. Law 10-66, see Historical and Statutory Notes following § 47-812.

**Legislative history of Law 10-68.** — Law 10-68, the “Technical Amendments Act of 1993,” was introduced in Council and assigned Bill No. 10-166, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on June 29, 1993, and July 13, 1993, respectively. Signed by the Mayor on August 23, 1993, it was assigned Act No. 10-107 and transmitted to both Houses of Congress for its review. D.C. Law 10-68 became effective on February 5, 1994.

**Legislative history of Law 10-178.** — Law 10-178, the “District of Columbia Solid Waste Management and Multi-Material Recycling Act of 1988 Amendment Act of 1994,” was introduced in Council and assigned Bill No. 10-10, which was referred to the Committee on Public Works and the Environment. The Bill was adopted on first and second readings on June 7, 1994, and July 5, 1994, respectively. Signed by the Mayor on July 26, 1994, it was assigned Act No. 10-303 and transmitted to both Houses of Congress for its review. D.C. Law 10-178 became effective on September 24, 1994.

**Legislative history of Law 11-52.** — For legislative history of D.C. Law 11-52, see His-

torical and Statutory Notes following § 47-811.01.

**Legislative history of Law 13-38.** — For Law 13-38, see notes following § 47-812.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Legislative history of Law 14-147.** — Law 14-147, the “Homestead and Senior Citizen Real Property Tax Act of 2002,” was introduced in Council and assigned Bill No. 14-101, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on March 5, 2002, and April 9, 2002, respectively. Signed by the Mayor on April 24, 2002, it was assigned Act No. 14-325 and transmitted to both Houses of Congress for its review. D.C. Law 14-147 became effective on June 25, 2002.

**Legislative history of Law 14-307.** — For Law 14-307, see notes following § 47-368.01.

**Legislative history of Law 15-148.** — Law 15-148, the “Real Property Classification Clarification Act of 2004,” was introduced in Council and assigned Bill No. 15-1, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on January 6, 2004, and February 3, 2004, respectively. Signed by the Mayor on February 19, 2004, it was assigned Act No. 15-370 and transmitted to both Houses of Congress for its review. D.C. Law 15-148 became effective on April 22, 2004.

**Legislative history of Law 15-354.** — For Law 15-354, see notes following § 47-340.03.

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Legislative history of Law 17-216.** — For Law 17-216, see notes following § 47-812.

**Legislative history of Law 18-111.** — For Law 18-111, see notes following § 47-305.02.

**Legislative history of Law 18-223.** — For Law 18-223, see notes following § 47-355.05.

**Legislative history of Law 18-363.** — For history of Law 18-363, see notes under § 47-412.01.

**Short title.** — Short title of subtitle HH of title I of Law 16-33: Section 1280 of D.C. Law 16-33 provided that subtitle HH of title I of the act may be cited as the Affordable Housing Preservation Tax Assessment Act of 2005.

**Delegation of Authority.** — Delegation of authority pursuant to Law 6-51, see Mayor’s Order 86-6, January 14, 1986.

Delegation of authority under D.C. Act 8-203, the D.C. Real Property Tax Reclassification Amendment Emergency Act of 1990, see Mayor’s Order 90-86, June 15, 1990.

Delegation of Authority under the Real Property Tax Reform Classification Emergency Amendment Act of 2009, see Mayor’s Order 2009-212, December 8, 2009 (56 DCR 9349).

**Editor’s notes.** — Applicability and expiration of subtitle HH of title I, §§ 1280 to 1284, of

D.C. Law 16-33: Sections 1282 and 1283 of D.C. Law 16-33, as amended by D.C. Law 17-219, § 7068(f), (g), provided:

“Sec. 1282. Applicability; conditional effect.

“(a) Section 1281 shall apply for taxable years beginning after September 30, 2005.

“(b) Repealed.

“Sec. 1283. Repealed.”

Application of Law 14-307: Section 1304 of D.C. Law 14-307 provided: “Sections 1302 and 1303 shall apply as of October 1, 2002.”

Mayor authorized to issue rules: Section 4 of D.C. Law 8-146 provided that the Mayor shall, pursuant to subchapter I of Chapter 5 of Title 2 issue proposed rules to implement the provisions of this act. The proposed rules shall be submitted to the Council no later than June 15, 1990, for a 30-day period of review. If the Council does not approve or disapprove the proposed rules, in whole or in part by resolution within this 30-day review period, the proposed rules shall be deemed approved.

Section 4 of D.C. Law 8-160 provided that the Mayor shall, pursuant to subtitle I of Chapter 5 of Title 2 issue proposed rules to implement the provisions of the District of Columbia Real Property Tax Reclassification Amendment Act of 1990. The proposed rules shall be submitted to the Council for a 60-day period of review, excluding Saturdays, Sundays, legal holidays, and days of Council recess. If the Council does not approve or disapprove the proposed rules, in whole or in part, by resolution within this 60-day review period, the proposed rules shall be deemed approved. Nothing in this section shall affect any requirements imposed upon the Mayor by subtitle I of Chapter 5 of Title 2.

Mayor authorized to issue rules: See Historical and Statutory Notes following § 47-812.

Section 3 of D.C. Law 14-147 provided that section 2 shall apply as of October 1, 2001, except insofar as the retroactive application results in an increase of tax to the real property or owner thereof.

## CASE NOTES

### ANALYSIS

Construction with other laws.  
In general.

#### Construction with other laws.

Regulation providing for conclusive presumption of full commercial use of property from fact alone of nonexcused failure to submit information to assist in apportionment of mixed use commercial property was not “penalty” in violation of statute in which council of District of Columbia reserved for itself authority to establish penalties for transgressions of real property tax statute, where loss of mixed use treatment for failure to meet requirements was permissible effect of failure to assist in process of achieving accurate and current apportionment. D.C. Code 1981, §§ 47-813(f), 47-861; D.C. Mun.Reg. title 9, § 327.4. *District of Columbia v. Willard Assocs.*, 655 A.2d 1237, 1995 D.C. App. LEXIS 60 (1995).

#### In general.

In apportionment of mixed use commercial

property for real property taxation, mayor had authority to adopt regulation providing for conclusive presumption of full commercial use of property from fact alone of nonexcused failure to submit information to assist in apportionment of mixed use property. D.C. Code 1981, § 47-813(f); D.C. Mun.Reg. title 9, § 327.4. *District of Columbia v. Willard Assocs.*, 655 A.2d 1237, 1995 D.C. App. LEXIS 60 (1995).

Mayor’s duty to apportion mixed use commercial property for real property taxation depends upon owner’s submission of information about use which mayor deems necessary, at time and in form mayor may prescribe. D.C. Code 1981, § 47-813(f); D.C. Mun.Reg. title 9, § 327.4. *District of Columbia v. Willard Assocs.*, 655 A.2d 1237, 1995 D.C. App. LEXIS 60 (1995).

## § 47-814. Rules and regulations.

The Mayor of the District of Columbia is authorized to promulgate such rules and regulations as may be necessary to carry out the provisions of this act.

(Nov. 20, 1979, D.C. Law 3-37, § 7, 26 DCR 1564; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-814. 1973 Ed., § 47-632.2.

**Legislative history of Law 3-37.** — For

legislative history of D.C. Law 3-37, see Historical and Statutory Notes following § 47-812.

**References in text.** — “This act”, referred



to at the end of this section, is D.C. Law 3-37, the Real Property Tax Classifications Act for Tax Year 1980.

### CASE NOTES

#### ANALYSIS

Construction of regulations with other laws.  
In general.

#### **Construction of regulations with other laws.**

Regulation providing for conclusive presumption of full commercial use of property from fact alone of nonexcused failure to submit information to assist in apportionment of mixed use commercial property was not "penalty" in violation of statute in which council of District of Columbia reserved for itself authority to establish penalties for transgressions of real property tax statute, where loss of mixed use treatment for failure to meet requirements was permissible effect of failure to assist in process of achieving accurate and current apportionment. D.C. Code 1981, §§ 47-813(f), 47-861; D.C. Mun.Reg. title 9, § 327.4. *District of Columbia v. Willard Assocs.*, 655 A.2d 1237, 1995 D.C. App. LEXIS 60 (1995).

#### **In general.**

In apportionment of mixed use commercial property for real property taxation, mayor had authority to adopt regulation providing for con-

clusive presumption of full commercial use of property from fact alone of nonexcused failure to submit information to assist in apportionment of mixed use property. D.C. Code 1981, § 47-813(f); D.C. Mun.Reg. title 9, § 327.4. *District of Columbia v. Willard Assocs.*, 655 A.2d 1237, 1995 D.C. App. LEXIS 60 (1995).

Purpose of regulation providing for conclusive presumption of full commercial use of property from fact alone of nonexcused failure to submit information to assist in apportionment of mixed use property was to insure that Department of Finance and Revenue had reliable, current information about uses of property to assist in apportionment. D.C. Mun.Reg. title 9, § 327.4. *District of Columbia v. Willard Assocs.*, 655 A.2d 1237, 1995 D.C. App. LEXIS 60 (1995).

Regulation providing for conclusive presumption of full commercial use of property from fact alone of nonexcused failure to submit information to assist in apportionment of mixed use property served valid purpose of making operation of real property tax system workable without imposing undue burden on tax collectors. D.C. Mun.Reg. title 9, § 327.4. *District of Columbia v. Willard Assocs.*, 655 A.2d 1237, 1995 D.C. App. LEXIS 60 (1995).

## **§ 47-815. Submission of estimated assessment roll.**

(a) Before September 16th of each year, the Mayor shall estimate the assessment roll and submit the estimate to the Council.

(a-1) Repealed.

(a-2) Repealed.

(a-3) Repealed.

(a-4) Repealed.

(b) Repealed.

(b-1) If the Council establishes the real property tax rates and real property special tax rates as a sum under § 47-812, the Chief Financial Officer shall determine and publish in the District of Columbia Register before September 16th of each preceding tax year the real property special tax rates to be applied, during the tax year, to the classes of real property set forth in § 47-813.

(c) Repealed.

(d) Repealed.

(e) Repealed.

(f) For the real property tax year beginning July 1, 1989, and ending June 30, 1990, and for each tax year thereafter, the tax liability resulting from

applying the rates established in § 47-812, to qualified real property approved pursuant to § 6-1503:

(1) Shall be reduced by 80% in the first tax year beginning after the date of issuance of the certificate of occupancy for the qualified real property; and

(2) Shall be reduced by 64%, 48%, 32%, and 16% in the second, third, fourth, and fifth tax years, respectively, beginning after the issuance of the certificate of occupancy for the qualified real property.

(Sept. 3, 1974, 88 Stat. 1052, Pub. L. 93-407, title IV, § 413; Jan. 3, 1975, 88 Stat. 2176, Pub. L. 93-635, § 6(a)(1), (b); June 15, 1976, D.C. Law 1-70, title III, §§ 302(b), 305, 23 DCR 539, 540; Mar. 3, 1979, D.C. Law 2-130, § 3(b), 25 DCR 2517; Nov. 20, 1979, D.C. Law 3-37, § 2(c), 26 DCR 1564; June 22, 1983, D.C. Law 5-14, § 602, 30 DCR 2632; Oct. 20, 1988, D.C. Law 7-177, § 6(a), 35 DCR 6158; Sept. 20, 1990, D.C. Law 8-160, § 2(b), 37 DCR 4653; Mar. 17, 1993, D.C. Law 9-241, § 2(a), 40 DCR 629; Apr. 30, 1994, D.C. Law 10-115, § 201, 41 DCR 1216; June 14, 1994, D.C. Law 10-127, § 5(b), 41 DCR 2050; Apr. 26, 1996, 110 Stat. 132 211, Pub. L. 104-134, § 135(2); June 13, 1996, D.C. Law 11-143, § 6, 43 DCR 2170; Apr. 9, 1997, D.C. Law 11-223, § 2(a), 44 DCR 111; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Oct. 23, 1997, D.C. Law 12-40, § 101(b), 44 DCR 4859; June 9, 2001, D.C. Law 13-305, § 502(g), (h), (i), 48 DCR 334; Oct. 3, 2001, D.C. Law 14-28, § 2002(c), 48 DCR 6981.)

**Cross references.** — Economic development zones, available incentives, see § 6-1503.

**Section references.** — This section is referred to in § 47-816.

**Prior Codifications.** — 1981 Ed., § 47-815. 1973 Ed., § 47-633.

**Effect of amendments.** — D.C. Law 13-305 rewrote the section heading and the section which had read:

“§ 47-815. Submission and publication of proposed rates and certain assessed values.”

“(a) Except as provided in subsection (a-4) of this section, on or before the third Friday in August of each year, the Mayor shall publish in the District of Columbia Register proposed real property tax rates to be applied, during the tax year, to the classes of real property set forth in § 47-813. The Mayor shall certify the assessment roll and calculate the proposed rates pursuant to § 47-825.01(h). On or before September 15th of each year, the Mayor shall submit to the Council these same rates.

“(a-1) Repealed .

“(a-2) Repealed .

“(a-3) Notwithstanding the first sentence of subsection (a) of this section, the Mayor shall publish in the District of Columbia Register the proposed 1997 real property tax rates by the third Friday following the date the 1997 real property assessment roll is certified.

“(a-4) Beginning with real property assessments for Tax Year 1999, and for each tax year thereafter, the Mayor shall estimate the assessment roll on or before September 15th of each year.

“(b) At the time the Mayor publishes in the District of Columbia Register the proposed real property tax rates under subsection (a) of this section, he or she shall also submit the following:

“(1) The total aggregate assessed value of taxable real property for the year preceding the tax year for which the rates are being recommended, listing the values of such properties by class as set forth in § 47-813(c-1), (c-2), and (c-3);

“(2) The estimated total aggregate assessed value of taxable real property for the tax year for which the property tax rates are being recommended, listing the values of such properties by class as set forth in § 47-813(c-1), (c-2), and (c-3) and indicating separately for each class the estimated value, if any, attributable to new construction; and

“(3) The real property tax rates (rounded to the nearest penny) calculated to yield in the tax year the same amount of revenue (exclusive of the revenue attributable to new construction) as was raised by that tax at the rate or rates applicable during the preceding tax year, plus a percentage of such revenue equal to the percentage change between the consumer price index for the first calendar year preceding the tax year and the consumer price index for the 2nd calendar year preceding the tax year. The consumer price index referred to in the preceding sentence shall be the Annual Average Washington, D.C., All-Items Consumer Price Index, For All Urban Consumers, as published by the



Bureau of Labor Statistics of the United States Department of Labor.

"(c) Repealed .

"(d) As soon as possible after the Mayor publishes in the District of Columbia Register the proposed real property tax rates under subsection (a) of this section, he or she shall also publish such proposed real property tax rates and the information submitted pursuant to subsection (b) of this section in at least 1 daily newspaper of general circulation published in the District of Columbia.

"(e) No later than 4 days (not including Saturdays, Sundays or holidays) after the official release of the consumer price index referred to in subsection (b)(3) of this section, the Mayor shall estimate as closely as possible the rates of taxation for real property pursuant to subsection (b)(3) of this section and shall inform the Council.

"(f) For the real property tax year beginning July 1, 1989, and ending June 30, 1990, and for each tax year thereafter, the tax liability resulting from applying the rates established in this section and § 47-812, to qualified real property approved pursuant to § 6-1503:

"(1) Shall be reduced by 80% in the first tax year beginning after the date of issuance of the certificate of occupancy for the qualified real property; and

"(2) Shall be reduced by 64%, 48%, 32%, and 16% in the second, third, fourth, and fifth tax years, respectively, beginning after the issuance of the certificate of occupancy for the qualified real property."

D.C. Law 14-28 added subsec. (b-1).

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2(b) of District of Columbia Real Property Tax Reclassification Amendment Temporary Act of 1990 (D.C. Law 8-146, July 25, 1990, 37 DCR 5134).

For temporary (225 day) amendment of section, see § 2(a) of District of Columbia Moratorium on the Real Property Assessments for Real Property Tax Year 1998 Temporary Amendment Act of 1996 (D.C. Law 11-220, April 9, 1997, 44 DCR 2578).

For temporary (225 day) amendment of section, see § 2(b) of Real Property Tax Rates for Tax Year 1998 Temporary Amendment Act of 1997 (D.C. Law 12-61, March 20, 1998, 45 DCR 2096).

For temporary (225 day) amendment of section, see § 2(b) of Real Property Tax Rates and Assessment Initiative Temporary Amendment Act of 1998 (D.C. Law 12-123, June 11, 1998, 45 DCR 6289).

For temporary (225 day) amendment of section, see § 2(h), (i) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, 48 DCR 5916).

For temporary (225 day) amendment of section, see § 2(c) of Real Property Tax Assessment Transition Temporary Act of 2001 (D.C. Law 14-23, September 6, 2001, 48 DCR 9093).

**Emergency legislation.** — For temporary amendment of section, see § 6 of the Tax Revision Commission Establishment Emergency Act of 1996 (D.C. Act 11-259, April 18, 1996, 43 DCR 2166).

For temporary amendment of section, see § 2(a) of the District of Columbia Moratorium on the 1997 Real Property Assessments for Real Property Tax Year 1998 Emergency Amendment Act of 1996 (D.C. Act 11-407, October 28, 1996, 43 DCR 6329), and § 2(a) of the District of Columbia Moratorium on the 1997 Real Property Assessments for Real Property Tax Year 1998 Congressional Adjournment Emergency Amendment Act of 1997 (D.C. Act 12-9, March 3, 1997, 44 DCR 1630).

For temporary (90 day) amendment of section, see § 2(g)(2), (h), (i) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see § 2(c) of Real Property Tax Assessment Transition Emergency Act of 2001 (D.C. Act 14-44, April 18, 2001, 48 DCR 3844).

For temporary (90 day) amendment of section, see § 2(c) of Real Property Tax Assessment Transition Congressional Review Emergency Act of 2001 (D.C. Act 14-116, August 3, 2001, 48 DCR 7659).

**Legislative history of Law 1-70.** — For legislative history of D.C. Law 1-70, see Historical and Statutory Notes following § 47-811.

**Legislative history of Law 2-130.** — For legislative history of D.C. Law 2-130, see Historical and Statutory Notes following § 47-803.

**Legislative history of Law 3-37.** — For legislative history of D.C. Law 3-37, see Historical and Statutory Notes following § 47-812.

**Legislative history of Law 5-14.** — Law 5-14, the "District of Columbia Revenue Act of 1983," was introduced in Council and assigned Bill No. 5-74, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on April 12, 1983 and April 26, 1983, respectively. Signed by the Mayor on May 4, 1983, it was assigned Act No. 5-29 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 7-177.** — For legislative history of D.C. Law 7-177, see Historical and Statutory Notes following § 47-846.01.

**Legislative history of Law 8-160.** — For legislative history of D.C. Law 8-160, see Historical and Statutory Notes following § 47-813.

**Legislative history of Law 9-241.** — For legislative history of D.C. Law 9-241, see His-

torical and Statutory Notes following § 47-825.01.

**Legislative history of Law 10-115.** — Law 10-115, the “Financial Administration Revision and Clarification Act of 1994,” was introduced in Council and assigned Bill No. 10-439, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on January 4, 1994, and February 1, 1994, respectively. Signed by the Mayor on February 25, 1994, it was assigned Act No. 10-205 and transmitted to both Houses of Congress for its review. D.C. Law 10-115 became effective on April 30, 1994.

**Legislative history of Law 10-127.** — For legislative history of D.C. Law 10-127, see Historical and Statutory Notes following § 47-812.

**Legislative history of Law 11-143.** — Law 11-143, the “Tax Revision Commission Establishment Act of 1996,” was introduced in Council and assigned Bill No. 11-383, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on March 5, 1996, and April 2, 1996, respectively. Signed by the Mayor on April 18, 1996, it was assigned Act No. 11-383 and transmitted to both Houses of Congress for its review. D.C. Law 11-143 became effective on June 13, 1996.

**Legislative history of Law 11-223.** — Law 11-223, the “District of Columbia Moratorium on the 1997 Real Property Assessments for Real Property Tax Year 1998 Amendment Act of 1996,” was introduced in Council and assigned Bill No. 11-847, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on October 1, 1996, and November 7, 1996, respectively. Signed by the Mayor on November 25, 1996, it was assigned Act No. 11-442 and transmitted to both Houses of Congress for its review. D.C. Law 11-223 became effective on April 9, 1997.

**Legislative history of Law 12-40.** — For legislative history of D.C. Law 12-40, see Historical and Statutory Notes following § 47-802.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Legislative history of Law 14-28.** — For Law 14-28, see notes following § 47-387.51.

**Delegation of Authority.** — Delegation of authority under Law 5-14, see Mayor’s Order 83-190, July 25, 1983.

**Editor’s notes.** — Mayor authorized to issue rules: Section 1102 of D.C. Law 5-14 provided that the Mayor shall issue rules necessary to carry out the provisions of the act.

Section 13 of D.C. Law 7-177 provided that the Mayor shall issue rules to implement the provisions of the act.

See note to § 47-813.

Special tax requirement: D.C. Law 5-115 requires the Mayor to certify to the Council the amount required to pay the principal of, and interest on, general obligation bonds coming due for any reason during that real property tax year.

Definitions applicable: The definitions in § 47-803 apply to this section.

Expiration of title I of D.C. Law 12-40: Section 105(b) of D.C. Law 12-40 provided that title I of that act shall expire 4 years from its effective date. D.C. Law 12-40 became effective on October 23, 1997.

Mayor authorized to issue rules: Section 104 of D.C. Law 12-40 provided that the Mayor may promulgate rules necessary for the implementation of this title.

Audit of triennial assessment process: Section 103 of D.C. Law 12-40 provided that at the end of the first triennial assessment cycle, an audit of the assessment process shall be conducted by an outside firm, under the auspices of the International Association of Assessing Officers, for the purposes of examining the methodology, procedures, and accuracy of real property assessments under the triennial assessment process. The results of the audit shall be provided to the Council of the District of Columbia.

Review of title I provisions after 3 years: Section 105(a) of title I of D.C. Law 12-40 provided that after 3 years, the Committee on Finance and Revenue shall review the provisions of this title and make recommendations for their continuance, amendment, or termination.

Expiration and review of title I of D.C. Law 12-40: Section 2003 of D.C. Law 14-28 repealed the expiration provision of section 105(b) and the review provision of section 105(a) of D.C. Law 12-40.

## § 47-816. Submission on exempt property.

At the time the Mayor submits to the Council the estimated assessment roll under § 47-815, he shall also submit the following:

(1) The total aggregate assessed value of real property exempt from the real property tax levied in the District for the current fiscal year by major class or type of exempt status and the tax that would have been paid during such fiscal year had such property not been exempt; and

(2) The estimated total aggregate assessed value of real property exempt



from the real property tax levied in the District by major class or type of exempt status and the tax that would be paid during the fiscal year under the real property tax rate or rates proposed by the Mayor pursuant to § 47-815.

(Sept. 3, 1974, 88 Stat. 1053, Pub. L. 93-407, title IV, § 414; June 15, 1976, D.C. Law 1-70, title III, § 305, 23 DCR 540; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 502(j), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-816. 1973 Ed., § 47-634.

**Effect of amendments.** — D.C. Law 13-305 substituted “estimated assessment roll” for “proposed real property tax rate or rates”.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see 2(j) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, 48 DCR 5916).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2(j) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 1-70.** — For legislative history of D.C. Law 1-70, see Historical and Statutory Notes following § 47-811.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

## § 47-817. Comparison of rates and burdens.

In establishing a real property tax rate or rates, the Council shall make a comparison of tax rates and burdens applicable to residential and nonresidential property in the District with those such rates applicable to such property in jurisdictions in the vicinity of the District. The comparison shall include other major taxes in addition to the tax on real property. Without in any way limiting the authority of the Council, it is the intention of Congress, that tax burdens in the District be reasonably comparable to those in the surrounding jurisdictions of the Washington metropolitan area.

(Sept. 3, 1974, 88 Stat. 1053, Pub. L. 93-407, title IV, § 415; June 15, 1976, D.C. Law 1-70, title III, § 305, 23 DCR 540; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-818.01.

**Prior Codifications.** — 1981 Ed., § 47-817. 1973 Ed., § 47-635.

**Legislative history of Law 1-70.** — For legislative history of D.C. Law 1-70, see Historical and Statutory Notes following § 47-811.

**Editor’s notes.** — Adoption of enumerated reports as comparison: (1) “Tax Rates and Tax Burdens in the District of Columbia: A Nationwide Comparison” (Government of the District of Columbia, June 1986); and.

(2) “Comparison of Tax Rates and Burdens in

the Washington Metropolitan Area” (Government of the District of Columbia, June 1986).

Adoption of enumerated reports as comparison: Section 3 of D.C. Law 6-153 provided that the Council of the District of Columbia (“Council”) adopts the following reports as the Council’s comparison of tax rates and burdens applicable to residential and nonresidential real property in the District of Columbia with the rates on property in jurisdictions in the vicinity of the District and as the Council’s comparison of other major taxes:

## § 47-818. Adoption of enumerated reports as comparison. [Repealed].

Repealed.

(Oct. 1, 1987, D.C. Law 7-28, § 4, 34 DCR 5094.)

**Prior Codifications.** — 1981 Ed., § 47-818. legislative history of D.C. Law 7-28, see Historical and Statutory Notes following § 47-818.01.

## § 47-818.01. Adoption of enumerated reports as comparison.

Pursuant to § 47-817, the Council of the District of Columbia ("Council") adopts the following reports as the Council's comparison of tax rates and burdens applicable to residential and nonresidential real property in the District of Columbia ("District") with the rates on property in jurisdictions in the vicinity of the District and as the Council's comparison of other major taxes:

(1) "Tax Rates and Tax Burdens in the District of Columbia: A Nationwide Comparison" (Government of the District of Columbia, June 1997); and

(2) "A Comparison of Tax Rates and Burdens in the Washington Metropolitan Area" (Government of the District of Columbia, June 1997).

(Sept. 3, 1974, Pub. L. 93-407, title IV, § 415a, as added Oct. 1, 1987, D.C. Law 7-28, § 3, 34 DCR 5094; Sept. 29, 1988, D.C. Law 7-161, § 2(c), 35 DCR 5730; Oct. 19, 1989, D.C. Law 8-46, § 2(d), 36 DCR 5783; Sept. 27, 1990, D.C. Law 8-172, § 2(e), 37 DCR 4844; Mar. 7, 1992, D.C. Law 9-62, § 2(d), 38 DCR 7291; Oct. 7, 1992, D.C. Law 9-177, § 4, 39 DCR 5868; Jan. 26, 1994, D.C. Law 10-66, § 4, 40 DCR 7358; May 16, 1995, D.C. Law 10-255, § 40, 41 DCR 5193; Mar. 5, 1996, D.C. Law 11-98, § 1302, 43 DCR 5; Apr. 9, 1997, D.C. Law 11-222, § 3, 44 DCR 108; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 10, 1998, D.C. Law 12-122, § 2(b), 45 DCR 2300.)

**Prior Codifications.** — 1981 Ed., § 47-818.1.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2(c) of Real Property Tax Rates for Tax Year 1989 Temporary Amendment Act of 1988 (D.C. Law 7-183, March 16, 1989, law notification 36 DCR 2193).

For temporary (225 day) amendment of section, see § 2 of Real Property Tax Rates for Tax Year 1996 Temporary Amendment Act of 1995 (D.C. Law 11-86, February 10, 1996, law notification 43 DCR 1312).

For temporary (225 day) amendment of section, see § 2 of Real Property Tax Rates for Tax Year 1997 Temporary Amendment Act of 1996 (D.C. Law 11-217, April 9, 1997, law notification 44 DCR 2575).

For temporary (225 day) amendment of section, see § 2(b) of Real Property Tax Rates and Assessment Initiative Temporary Amendment Act of 1998 (D.C. Law 12-123, June 11, 1998, law notification 45 DCR 6289).

**Emergency legislation.** — For temporary amendment of section, see § 3 of the Real Property Tax Rates for Tax Year 1996 Emergency Amendment Act of 1995 (D.C. Act 11-148, October 26, 1995, 42 DCR 6054), § 3 of the Real Property Tax Rates for Tax Year 1996 Congress-

sional Review Emergency Amendment Act of 1996 (D.C. Act 11-183, January 22, 1996, 43 DCR 376), and § 3 of the Real Property Tax Rates for Tax Year 1997 Emergency Amendment Act of 1996 (D.C. Act 11-403, October 24, 1996, 43 DCR 5808), see § 3 of the Real Property Tax Rates for Tax Year 1997 Congressional Adjournment Emergency Amendment Act of 1997 (D.C. Act 12-12, March 3, 1997, 44 DCR 1744), and see § 2(b) of the Real Property Tax Rates for Tax Year 1998 Emergency Amendment Act of 1997 (D.C. Act 12-184, October 31, 1997, 44 DCR 6960).

For temporary amendment of section, see § 1302 of the Budget Support Congressional Review Emergency Act of 1996 (D.C. Act 11-206, February 9, 1996, 43 DCR 777).

For temporary amendment of section, see § 2(b) of the Real Property Tax Rates and Assessment Initiative Emergency Amendment Act of 1998 (D.C. Act 12-299, March 4, 1998, 45 DCR 1780).

**Legislative history of Law 7-28.** — Law 7-28, the "Real Property Tax Rates for Tax Year 1988 Amendment Act of 1987," was introduced in Council and assigned Bill No. 7-262, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 30, 1987 and July 14,



1987, respectively. Signed by the Mayor on July 17, 1987, it was assigned Act No. 7-50 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 7-161.** — For legislative history of D.C. Law 7-161, see Historical and Statutory Notes following § 47-812.

**Legislative history of Law 8-46.** — For legislative history of D.C. Law 8-46, see Historical and Statutory Notes following § 47-811.

**Legislative history of Law 8-172.** — For legislative history of D.C. Law 8-172, see Historical and Statutory Notes following § 47-812.

**Legislative history of Law 9-62.** — For legislative history of D.C. Law 9-62, see Historical and Statutory Notes following § 47-812.

**Legislative history of Law 9-177.** — For legislative history of D.C. Law 9-177, see Historical and Statutory Notes following § 47-812.

**Legislative history of Law 10-66.** — For legislative history of D.C. Law 10-66, see Historical and Statutory Notes following § 47-812.

**Legislative history of Law 10-255.** — Law 10-255, the “Technical Amendments Act of 1994,” was introduced in Council and assigned Bill No. 10-673, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on June 21, 1994, and July 5, 1994, respectively. Signed by the Mayor on July 25, 1994, it was assigned Act No. 10-302 and transmitted to both Houses of Congress for its review. Law 10-255 became effective May 16, 1995.

**Legislative history of Law 11-98.** — For legislative history of D.C. Law 11-98, see Historical and Statutory Notes following § 47-812.

**Legislative history of Law 11-222.** — For legislative history of D.C. Law 11-222, see Historical and Statutory Notes following § 47-812.

**Legislative history of Law 12-122.** — For legislative history of D.C. Law 12-122, see Historical and Statutory Notes following § 47-812.

**Legislative history of Law 12-123.** — For legislative history of D.C. Law 12-123, see Historical and Statutory Notes following § 47-812.

## § 47-819. Compilation and publication of comparisons.

The Mayor shall, by June 30th of each year, compile and publish information regarding the relative amount of tax for all major taxes in the District compared with those in surrounding jurisdictions in the Washington metropolitan area and with those in other cities. The information shall include the rate or rates of the property tax levied on residential and nonresidential property, and the effect of major taxes levied on families of different income levels and on businesses.

(Sept. 3, 1974, 88 Stat. 1053, Pub. L. 93-407, title IV, § 416; June 15, 1976, D.C. Law 1-70, title III, § 305, 23 DCR 540; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-819.  
1973 Ed., § 47-636.

**Legislative history of Law 1-70.** — For

legislative history of D.C. Law 1-70, see Historical and Statutory Notes following § 47-811.

## § 47-820. Assessments — Estimated assessment roll; frequency of assessments.

(a)(1) The assessed value of all real property as of the valuation date shall be listed annually on the estimated assessment roll for real property taxation purposes.

(2) Repealed.

(3) The assessed value for all real property shall be the estimated market value of such property as of the valuation date, as determined by the Mayor. In determining the estimated market value for various kinds of real property, the Mayor may do so manually or through the use of an automated system or systems such as the Computer-Assisted Mass Appraisal System. The Mayor shall take into account any factor that may have a bearing on the market value

of the real property, including, but not limited to, sales information on similar types of real property, mortgage, or other financial considerations, reproduction cost less accrued depreciation because of age, condition, and other factors, income-earning potential (if any), zoning, and government-imposed restrictions. Assessments shall be based upon the sources of information available to the Mayor, which may include actual view.

(4) Notwithstanding paragraph (3) of this subsection, in the case of a property receiving the homestead deduction under § 47-850 or § 47-850.01 for which the most recent assessment has been changed as a result of an appeal to the Real Property Tax Appeals Commission for the District of Columbia in accordance with § 47-825.01a [repealed], the reasons for the revised assessment determined by the Board shall be considered the basis for the subsequent valuation by the Mayor, who shall take into account the written decision of the Board and its reasoning in making the assessment, so long as the revised assessment is rendered by the Board on or before January 1.

(5) [Not funded]

(a-1) Notwithstanding subsection (a) of this section, the real property tax year 1998 assessed value of all real property, subject to appeal pursuant to § 47-825.01 [repealed], shall be the real property tax year 1997 assessed value; provided, that for the purposes of appeal, the valuation date for real property tax year 1998 real property assessments shall be January 1, 1997. For purposes of determining the real property tax year 1998 assessment, the 1997 assessment with the latest date shall be the final 1997 assessment by the Mayor unless the assessment was otherwise revised by the Real Property Tax Appeals Commission for the District of Columbia or the Superior Court of the District of Columbia. In the case of a revision, the 1997 assessment shall be the assessment as determined by the Real Property Tax Appeals Commission for the District of Columbia or the Superior Court.

(a-2) Subsection (a-1) of this section shall not affect the authority of the Mayor pursuant to § 47-829, to conduct a supplemental assessment of any property located in the District and shall not affect the right of a real property owner pursuant to § 47-830, to appeal from the supplemental assessment to the Real Property Tax Appeals Commission for the District of Columbia.

(b) Except as provided in subsection (b-1) and (b-2) of this section, all real property shall be assessed no less frequently than once every 2 years, and as soon as practicable such assessment shall be made annually. The Council may authorize and direct assessments to be made annually for some or all classes of real property, except that for fiscal year 1978, and for each fiscal year thereafter, all real property shall be assessed on an annual basis.

(b-1)(1) Beginning with tax year 1999 and for each tax year thereafter, all real property shall be assessed at least once every 3 years and the resulting assessment shall be in effect for the next 3 consecutive tax years unless the assessment is otherwise revised as a result of any of the following:

- (A) An appeal filed pursuant to § 47-825.01;
- (B) An administrative correction made in accordance with § 47-825.01;
- (C) A supplemental assessment conducted pursuant to § 47-829;
- (D) A substantive change in the use of the real property;



(E) A change in the zoning for the area in which the real property is located;

(F) A change in the classification of the real property, unless the change in classification is in furtherance of § 47-813(c-4) due to the merger of former classes into a single class by operation of law;

(G) A substantial change occurs to the physical make up of the real property; or

(H) A substantial error occurs in the assessment of the real property.

(2) When real property is assessed under this section, an increase in the overall assessed value shall be phased in over the 3-year period of a 3-year cycle or the remaining portion of the cycle; provided, that under § 47-829, an increase in the improvement value under a supplemental assessment shall not be phased in.

(b-2) Notwithstanding subsection (b-1) of this section, for real property tax year 2002 and for each tax year thereafter, all real property which has completed its first 3-year cycle shall thereafter be revalued annually to determine its assessed value as of the valuation date. The assessed value of the real property revalued under this subsection shall not be phased in and the tax rate shall be applied to the assessed value for purposes of the tax year's levy.

(c) Repealed.

(d) Repealed.

(e) Repealed.

(f) Repealed.

(Sept. 3, 1974, 88 Stat. 1053, Pub. L. 93-407, title IV, § 421; Jan. 3, 1975, 88 Stat. 2176, Pub. L. 93-635, § 6(c), (d); June 14, 1994, D.C. Law 10-127, § 5(c), 41 DCR 2050; Apr. 9, 1997, D.C. Law 11-223, § 2(b), 44 DCR 111; Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Oct. 23, 1997, D.C. Law 12-40, § 101(c), 44 DCR 4859; June 9, 2001, D.C. Law 13-305, § 502(k)-(n), 48 DCR 334; Oct. 3, 2001, D.C. Law 14-28, § 2002(d), 48 DCR 6981; Oct. 19, 2002, D.C. Law 14-213, § 33(e), 49 DCR 8140; Apr. 5, 2005, D.C. Law 15-272, § 2, 52 DCR 823; Feb. 27, 2008, D.C. Law 17-112, § 2, 55 DCR 1864; Apr. 8, 2011, D.C. Law 18-363, § 3(g)(3), 58 DCR 963; July 13, 2012, D.C. Law 19-155, § 3(b), 59 DCR 5590.)

**Section references.** — This section is referred to in §§ 47-821, 47-824, 47-825.01, 47-829, 47-864, and 47-1005.01.

**Prior Codifications.** — 1981 Ed., § 47-820. 1973 Ed., § 47-641.

**Effect of amendments.** — D.C. Law 13-305, in the section heading, inserted "Estimated" and deleted "; regulations and orders" from the end; rewrote subsec. (b-1)(2); in subsec. (c), substituted "Mayor" for "Council"; and rewrote subsec. (d).

Prior to amendment, subsecs. (b-1)(2) and (d) read:

"(2) When real property is assessed pursuant to this section, any increase in the overall assessed value shall be phased-in over the 3-year period of a 3-year cycle."

"(d) The Council may adopt regulations regarding information to be furnished the Mayor by owners of real property. Such regulations shall provide, under penalty of law, that all such information with respect to income derived from investment on income-producing real property shall be handled in the same confidential manner as income tax returns and supporting data required to be submitted to the government of the District of Columbia under laws applicable in the District."

D.C. Law 14-28 rewrote subsec. (a)(1), repealed subsec. (a)(2), and in subsec. (a)(3), substituted "the valuation date" for "January 1st of the year preceding the tax year"; in subsec. (b), substituted "subsections (b-1) and (b-2)" for "subsection (b-1)"; in subsec. (b-1)(1)(D), (E),

(G), and (H), substituted “real property” for “property”, in subsec. (b-1)(1)(F), inserted “, unless the change in classification is in furtherance of § 47-813(c-4) due to the merger of former classes into a single class by operation of law” preceding “real property”; added subsec. (b-2); and repealed subsecs. (c), (d), (e), and (f).

D.C. Law 14-213, in subsec. (b-1)(2), validated a previously made technical correction.

D.C. Law 15-272 added par. (4) of subsec. (a).

D.C. Law 17-112 added subsec. (a)(5).

D.C. Law 18-363, in subsecs. (a)(4), (a-1), and (a-2), substituted “Real Property Tax Appeals Commission for the District of Columbia” for “Board of Real Property Assessments and Appeals”.

D.C. Law 19-155, in subsec. (b-1), substituted “§ 47-825.01a” for “§ 47-825.01”.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2(b) of District of Columbia Moratorium on the Real Property Assessments for Real Property Tax Year 1998 Temporary Amendment Act of 1996 (D.C. Law 11-220, April 9, 1997, law notification 44 DCR 2578).

For temporary (225 day) amendment of section, see § 101 of Fiscal Year 1997 Budget Support Temporary Amendment Act of 1996 (D.C. Law 11-226, April 9, 1997, law notification 44 DCR 2584).

For temporary (225 day) amendment of section, see § 2(k) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

For temporary (225 day) amendment of section, see § 2(d) of Real Property Tax Assessment Transition Temporary Act of 2001 (D.C. Law 14-23, September 6, 2001, law notification 48 DCR 9093).

For temporary (225 day) repeal of section 105 of D.C. Law 12-40, see § 3 of Real Property Tax Assessment Transition Temporary Act of 2001 (D.C. Law 14-23, September 6, 2001, law notification 48 DCR 9093).

**Emergency legislation.** — For temporary amendment of section, see § 102 of the Fiscal Year 1997 Budget Support Emergency Act of 1996 (D.C. Act 11-302, July 25, 1996, 43 DCR 4181), § 101 of the Fiscal Year 1997 Budget Support Emergency Amendment Act of 1996 (D.C. Act 11-429, October 29, 1996, 43 DCR 6151), and § 101 of the Fiscal Year 1997 Budget Support Congressional Adjournment Emergency Amendment Act of 1997 (D.C. Act 12-2, February 19, 1997, 44 DCR 1590).

For temporary amendment of section, see § 2(b) of the District of Columbia Moratorium on the 1997 Real Property Assessments for Real Property Tax Year 1998 Emergency Amendment Act of 1996 (D.C. Act 11-407, October 28, 1996, 43 DCR 6329), and § 2(b) of the District of Columbia Moratorium on the 1997

Real Property Assessments for Real Property Tax Year 1998 Congressional Adjournment Emergency Amendment Act of 1997 (D.C. Act 12-9, March 3, 1997, 44 DCR 1630).

For temporary (90 day) amendment of section, see § 2(k) to (n) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see §§ 2(d), 3 of Real Property Tax Assessment Transition Emergency Act of 2001 (D.C. Act 14-44, April 18, 2001, 48 DCR 3844).

For temporary (90 day) amendment of section, see §§ 2(d), 3 of Real Property Tax Assessment Transition Congressional Review Emergency Act of 2001 (D.C. Act 14-116, August 3, 2001, 48 DCR 7659).

**Legislative history of Law 10-127.** — For legislative history of D.C. Law 10-127, see Historical and Statutory Notes following § 47-812.

**Legislative history of Law 11-223.** — For legislative history of D.C. Law 11-223, see Historical and Statutory Notes following § 47-815.

**Legislative history of Law 12-40.** — For legislative history of D.C. Law 12-40, see Historical and Statutory Notes following § 47-802.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Legislative history of Law 14-28.** — For Law 14-28, see notes following § 47-387.51.

**Legislative history of Law 14-213.** — Law 14-213, the “Technical Amendments Act of 2002”, was introduced in Council and assigned Bill No. 14-671, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on June 4, 2002, and July 2, 2002, respectively. Signed by the Mayor on July 26, 2002, it was assigned Act No. 14-459 and transmitted to both Houses of Congress for its review. D.C. Law 14-213 became effective on October 19, 2002.

**Legislative history of Law 15-272.** — Law 15-272, the “Equity in Real Property Tax Assessment Act of 2004”, was introduced in Council and assigned Bill No. 15-210, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 9, 2004, and December 7, 2004, respectively. Signed by the Mayor on December 29, 2004, it was assigned Act No. 15-663 and transmitted to both Houses of Congress for its review. D.C. Law 15-272 became effective on April 5, 2005.

**Legislative history of Law 17-112.** — Law 17-112, the “Multi-Unit Real Estate Tax Rate Clarification Act of 2007”, was introduced in Council and assigned Bill No. 17-72 which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 6, 2007, and December 11, 2007, respectively. Signed by the Mayor on December 31, 2007, it was assigned



Act No. 17-237 and transmitted to both Houses of Congress for its review. D.C. Law 17-112 became effective on February 27, 2008.

**Legislative history of Law 18-363.** — For history of Law 18-363, see notes under § 47-412.01.

**Legislative history of Law 19-155.** — For history of Law 19-155, see notes under § 47-825.01a.

**Editor's notes.** — Expiration of title I of D.C. Law 12-40: Section 105(b) of D.C. Law 12-40 provided that Title I of that act shall expire 4 years from its effective date. D.C. Law 12-40 became effective on October 23, 1997.

Mayor authorized to issue rules: Section 104 of D.C. Law 12-40 provided that the Mayor may promulgate rules necessary for the implementation of this title.

Audit of triennial assessment process: Section 103 of D.C. Law 12-40 provided that at the end of the first triennial assessment cycle, an audit of the assessment process shall be conducted by an outside firm, under the auspices of

the International Association of Assessing Officers, for the purposes of examining the methodology, procedures, and accuracy of real property assessments under the triennial assessment process. The results of the audit shall be provided to the Council of the District of Columbia.

Expiration and review of title I of D.C. Law 12-40: Section 2003 of D.C. Law 14-28 repealed the expiration provision of section 105(b) and the review provision of section 105(a) of D.C. Law 12-40.

Section 3 of D.C. Law 17-112 provided that this act shall apply upon the inclusion of its fiscal effect in an approved budget and financial plan.

The Budget Director of the Council of the District of Columbia has determined, as of February 15, 2012, that the fiscal effect of Law 17-112, has not been included in an approved budget and financial plan. Therefore, the provisions of this section, enacted by Law 17-112, are not in effect.

## CASE NOTES

### ANALYSIS

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—In general.

—Income approach, valuation.

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### Construction with other laws.

Proposed initiative (Taxpayers' Right to Know Act) was not made administrative and, therefore, was not invalidated by inconsistency with confidentiality statutes; rather, inconsistency demonstrated that initiative sought to establish new legislative policy. D.C. Code 1981, §§ 47-820(d), 47-821(d)(2). *Hessey v. Burden*, 615 A.2d 562, 1992 D.C. App. LEXIS 280 (1992), remanded by, appeal dismissed sub nomine *Price v. District of Columbia Bd. of Elections & Ethics*, 645 A.2d 594, 1994 D.C. App. LEXIS 121 (D.C. 1994).

Statute preventing District of Columbia Council from adopting regulations affecting tax assessments in conflict with confidentiality policy does not prevent Council from changing policy by enacting another statute. D.C. Code 1981, §§ 47-820(c, d), 47-821(d)(2). *Hessey v. Burden*, 615 A.2d 562, 1992 D.C. App. LEXIS 280 (1992), remanded by, appeal dismissed sub nomine *Price v. District of Columbia Bd. of*

*Elections & Ethics*, 645 A.2d 594, 1994 D.C. App. LEXIS 121 (D.C. 1994).

### Historic buildings and districts.

Trial court's adjustment of value of commercial real property to account for duty to preserve historic building's interior was permissible, although somewhat imprecise, since it was based exclusively on taxpayer's own figures proffered at trial. *Square 345 Assocs. Ltd. Pshp. v. District of Columbia*, 721 A.2d 963, 1998 D.C. App. LEXIS 238 (1998).

Prior sale of historic building was not relevant to valuation of property for tax assessment purposes, since sale price had been established more than five years before valuation date. *Square 345 Assocs. Ltd. Pshp. v. District of Columbia*, 721 A.2d 963, 1998 D.C. App. LEXIS 238 (1998).

Tax assessor's testimony supported finding that tax assessor considered requirement to preserve exterior of historic building when valuing property for tax purposes, but determined that it would not detract from property's overall value. *Square 345 Assocs. Ltd. Pshp. v. District of Columbia*, 721 A.2d 963, 1998 D.C. App. LEXIS 238 (1998).

Anticipated filing of application to expand historic district area to taxpayer's property had no legally cognizable effect on estimated market value of property, for tax assessment purposes, and did not have to be considered by tax assessor. D.C. Code 1981, §§ 47-802(4), 47-820(a, b). *1827 M Street, Inc. v. District of Columbia*, 537 A.2d 1078, 1988 D.C. App. LEXIS 8 (1988).

Effect of pending application to expand historic district to taxpayer's property should have been taken into account by tax assessor in determining estimated market value of taxpayer's property; evidence that inclusion of taxpayer's property in proposed area of expansion would reduce its market value was a factor which might have had a bearing on estimated market value of real property which statute required tax assessor to take into account. D.C. Code 1981, §§ 47-802(4), 47-820(a). 1827 M Street, Inc. v. District of Columbia, 537 A.2d 1078, 1988 D.C. App. LEXIS 8 (1988).

Filing of application for expansion of historic district area with an executive branch agency made any information in application "available" for tax assessment purposes and required that tax assessor consider application to include taxpayer's property in the district in determining market value of property. D.C. Code 1981, §§ 47-802(4), 47-820(a, b). 1827 M Street, Inc. v. District of Columbia, 537 A.2d 1078, 1988 D.C. App. LEXIS 8 (1988).

#### In general.

Tax assessor's inability to explain origin of computational standard used to calculate property tax assessment did not render assessment arbitrary and invalid. Square 345 Assocs. Ltd. Pshp. v. District of Columbia, 721 A.2d 963, 1998 D.C. App. LEXIS 238 (1998).

Although trial court mistakenly compared tax assessor's basic rate of \$65 to \$67 figure arrived at by taxpayer's assessor to represent the ultimate value of the property per square foot, this did not contribute in any significant way to court's acceptance of tax assessor's methodology or its overall valuation of property, so as to render assessment invalid. Square 345 Assocs. Ltd. Pshp. v. District of Columbia, 721 A.2d 963, 1998 D.C. App. LEXIS 238 (1998).

Assessment for prior tax year was not relevant, for purposes of determining validity of subsequent year's assessment, even though there was a 63% valuation differential, where no separate basis was articulated to discredit subsequent year's assessment. Square 345 Assocs. Ltd. Pshp. v. District of Columbia, 721 A.2d 963, 1998 D.C. App. LEXIS 238 (1998).

Property was correctly assessed as "commercial property" for real property tax purposes, even though owners had not obtained certificate of occupancy for commercial use, in view of evidence that property was zoned for commercial use and was actually being used for commercial purposes. D.C. Code 1981, §§ 47-802(4), 47-820(a). District of Columbia v. Beatley, 665 A.2d 204, 1995 D.C. App. LEXIS 188 (1995).

Even if taxpayer could challenge assessment of improvements as excessive while relying on presumption that assessment of land was

proper, evidence including testimony of taxpayer's own valuation expert was sufficient to overcome presumption and support finding that land was substantially undervalued. D.C. Code 1981, §§ 47-820(a), 47-821(a). Washington Post Co. v. District of Columbia, 596 A.2d 517, 1991 D.C. App. LEXIS 219 (1991).

#### Presumptions.

When District of Columbia has selected buildings that are "reasonably comparable" to buildings subject to assessment (based on such usual criteria as location, age, and configuration), it is entitled to presume that sales price is for buildings that reasonably reflect market prices properly used for comparable sales analysis and need not undertake laborious comparisons of acquisition financing arrangements to conclude that buildings sold within approximately the same time frame were subject to similar market forces. D.C. Code 1981, § 47-820(a). Wolf v. District of Columbia, 597 A.2d 1303, 1991 D.C. App. LEXIS 267 (1991).

#### Refunds.

Taxpayer is entitled to refund when assessment of "real property," i.e., combination of land and improvements thereon, is excessive, not when allocation of value between land and improvements is erroneous. D.C. Code 1981, §§ 47-820(a), 47-821(a). Washington Post Co. v. District of Columbia, 596 A.2d 517, 1991 D.C. App. LEXIS 219 (1991).

Taxpayer was not entitled to refund based on significant overvaluation of improvements where there was also significant undervaluation of land itself, with result that assessment on "real property" as a whole was fair and accurate or possibly even favorable to taxpayer. D.C. Code 1981, §§ 47-820(a), 47-821(a). Washington Post Co. v. District of Columbia, 596 A.2d 517, 1991 D.C. App. LEXIS 219 (1991).

#### Remand.

Remand was required for reconsideration of value of newly constructed commercial building, for purposes of real property taxes, where trial court relied solely upon characterization of capitalization rate as number representing the percentage rate that taxpayers must recover annually to pay the mortgage, to obtain fair return on taxpayers' equity in the property, and to pay real estate taxes. D.C. Code 1981, § 47-820. District of Columbia v. Square 345 Assocs. Ltd. Pshp., 706 A.2d 574, 1998 D.C. App. LEXIS 29 (1998).

Remand was required in appeal challenging tax assessments of commercial real property, where trial court did not afford due consideration to evidence submitted by Department of Finance and Revenue supporting its choice of capitalization rates. District of Columbia v. Rose Assocs., 697 A.2d 1236, 1997 D.C. App. LEXIS 166 (1997).



Mathematical error by tax division of the superior court required remand of that court's de novo review of assessment of hotel property, where court counted value of land twice, resulting in apparently excessive valuation. *District of Columbia v. Washington Sheraton Corp.*, 499 A.2d 109, 1985 D.C. App. LEXIS 505 (1985).

### Review.

Property tax assessment appeal before the Superior Court is subject to de novo evaluation on the basis of evidence presented at trial. *Square 345 Assocs. Ltd. Pshp. v. District of Columbia*, 721 A.2d 963, 1998 D.C. App. LEXIS 238 (1998).

In tax assessment cases, the trial court's factual findings are binding upon reviewing court unless they are clearly erroneous; if the findings are acceptable, reviewing court will not disturb the trial court's judgment unless it is plainly wrong or without evidence to support it. *Square 345 Assocs. Ltd. Pshp. v. District of Columbia*, 721 A.2d 963, 1998 D.C. App. LEXIS 238 (1998).

Although trial court found one component of property tax assessment invalid, it did not have to reject the entire assessment and either reinstate the most recent valid assessment or determine the valuation independently based on evidence presented at trial and without regard to the discredited assessment; rather, trial court could accept whatever elements of assessment it deemed valid and make necessary adjustments required by evidence adduced at trial. D.C. Code 1981, § 47-3305. *Square 345 Assocs. Ltd. Pshp. v. District of Columbia*, 721 A.2d 963, 1998 D.C. App. LEXIS 238 (1998).

Discredited property tax assessment must give way to the trial court's own valuation, determined by its reconciliation of the evidence presented at trial, which becomes the basis for taxation until a subsequent reassessment has been made according to law. *Square 345 Assocs. Ltd. Pshp. v. District of Columbia*, 721 A.2d 963, 1998 D.C. App. LEXIS 238 (1998).

Mere presence of an alternative viewpoint does not satisfy the taxpayer's burden to show error in property tax assessment. *Square 345 Assocs. Ltd. Pshp. v. District of Columbia*, 721 A.2d 963, 1998 D.C. App. LEXIS 238 (1998).

If Department of Finance and Revenue bases its determination of capitalization rate on generally accepted method when valuing commercial real property using income capitalization method, its position on appropriateness of selected capitalization rate should be given due consideration by trial court. *District of Columbia v. Rose Assocs.*, 697 A.2d 1236, 1997 D.C. App. LEXIS 166 (1997).

Trial court's adoption of valuation of property, based upon report of one appraiser, was invalid because it was not supported by findings of fact enabling appellate review to be

conducted. D.C. Code 1981, § 47-3303. *George Washington University v. District of Columbia*, 563 A.2d 759, 1989 D.C. App. LEXIS 172 (1989).

On de novo review of hotel tax assessment by tax division of superior court, results achieved by income capitalization approach should be compared with other factors, including mortgage value, book value, and value of improvements contained in transfer of property to joint venture, with adjustment of mortgage value to reflect current interest rates, and reduction of probative value of joint venture agreement to the extent it does not represent arms length sale. *District of Columbia v. Washington Sheraton Corp.*, 499 A.2d 109, 1985 D.C. App. LEXIS 505 (1985).

### Valuation.

#### — In general.

District of Columbia's expert appraiser was justified in valuing single-family residence's below-ground space similarly to above-ground space, when using a sales-comparison approach as a check on replacement-cost approach for property tax purposes, where appraiser noted that square footage of below-ground space was larger than most houses in District, and such space was finished as well as the space on the second floor of residence. *Bender v. District of Columbia*, 804 A.2d 267, 2002 D.C. App. LEXIS 389 (2002).

In appraising real property to determine tax, the three generally accepted methods for determining market value are replacement cost approach, comparable sales approach, and income approach. D.C. Code 1981, § 47-820(a). *Wolf v. District of Columbia*, 611 A.2d 44, 1992 D.C. App. LEXIS 156 (1992).

While tax appraiser, determining market value of property, must consider replacement cost, comparable sales, and income approaches, appraiser has discretion to ultimately rely on one method in determining property's market value. D.C. Code 1981, § 47-820(a). *Wolf v. District of Columbia*, 611 A.2d 44, 1992 D.C. App. LEXIS 156 (1992).

Assessor committed no misdeed in failing to consider ground lease and purchase option on property in valuing property for property tax purposes, where ground lease was not shown to have bearing upon market value. D.C. Code 1981, § 47-820(a). *Wolf v. District of Columbia*, 609 A.2d 672, 1992 D.C. App. LEXIS 160 (1992).

Statute requiring appraiser to "take into account" three methods of valuing property for taxation means that appraisers may ultimately rely on only one of the three methods, as long as they consider them all and reject the other two for legitimate reasons; appraiser need not incorporate all three valuation methods into final

calculation of property's value. D.C. Code 1981, § 47-820(a). *Safeway Stores, Inc. v. District of Columbia*, 525 A.2d 207, 1987 D.C. App. LEXIS 345 (1987).

For purposes of tax assessment, present estimated market value of property includes estimate of future income potential. *District of Columbia v. Washington Sheraton Corp.*, 499 A.2d 109, 1985 D.C. App. LEXIS 505 (1985).

Trial court may consider value of a mortgage in assessing value of real property for property tax purposes. D.C. Code 1981, § 47-820(a). *Rock Creek Plaza-Woodner Ltd. Partnership v. District of Columbia*, 466 A.2d 857, 1983 D.C. App. LEXIS 472 (1983).

#### — Income approach, valuation.

In valuing commercial real property using income capitalization method, determination of appropriate capitalization rate for particular year and particular property is fact-specific determination and not susceptible to singular definition, including definition that capitalization rate is number representing percentage rate that taxpayers must recover annually to pay mortgage, to obtain fair return on taxpayers' equity in property and to pay real estate taxes. *District of Columbia v. Rose Assocs.*, 697 A.2d 1236, 1997 D.C. App. LEXIS 166 (1997).

In income approach to appraising property for tax purposes, stabilized annual net income figure must reflect appraiser's estimate of property's yearly income earning potential, as opposed to merely the income available as of the tax date, because income approach is based on fundamental notion that market value of income-producing property reflects the present worth of future income stream. D.C. Code 1981, § 47-820(a). *Wolf v. District of Columbia*, 611 A.2d 44, 1992 D.C. App. LEXIS 156 (1992).

#### — Replacement cost approach, valuation.

Reliance by appraiser for District of Columbia on the replacement-cost method of assessing the market value of taxpayer's 67-year-old residence for property tax purposes was warranted, even though if sales-comparison approach were generally the best method for valuing single-family residences, where residence was recently completely gutted and renovated, and taxpayers failed to show that appraiser's reason for using replacement-cost method was irrational or unfounded. *Bender v. District of Columbia*, 804 A.2d 267, 2002 D.C. App. LEXIS 389 (2002).

When valuing newly constructed commercial property, for purposes of real property taxes, replacement cost method should not be automatically rejected as possibly valid approach. D.C. Code 1981, § 47-820. *District of Columbia v. Square 345 Assocs. Ltd. Pshp.*, 706 A.2d 574, 1998 D.C. App. LEXIS 29 (1998).

In determining market value of commercial properties for tax purposes, court appraiser properly determined properties' actual net income by referring to properties' actual income and expense patterns over several years, finding a stable income pattern supported by comparable market rents, and applying capitalization rate reflecting amount taxpayers had to recover annually to pay mortgages, obtain fair return equity, and pay real estate taxes. D.C. Code 1981, § 47-820(a). *Wolf v. District of Columbia*, 611 A.2d 44, 1992 D.C. App. LEXIS 156 (1992).

Property appraisers' rejection of income approach, in favor of replacement cost less depreciation method, in valuing property leased by grocery store chain was not irrational or unfounded in that existing leaseback arrangements were not trustworthy measures of market rental value and effort to calculate rental value by reference to other properties was, given unusual character of store improvements, sufficiently burdensome to justify use of alternate approach. D.C. Code 1981, § 47-820(a). *Safeway Stores, Inc. v. District of Columbia*, 525 A.2d 207, 1987 D.C. App. LEXIS 345 (1987).

Appraiser's rejection of income approach, in favor of replacement cost less depreciation approach, in valuing grocery store chain property was improper where assessor did not even consider merits of income approach, as statutorily required. D.C. Code 1981, § 47-820(a). *Safeway Stores, Inc. v. District of Columbia*, 525 A.2d 207, 1987 D.C. App. LEXIS 345 (1987).

Tax division of superior court did not err in rejecting replacement cost as reliable method of valuing hotel, where hotel was not new but had undergone extensive reconstruction, during which time business continued uninterrupted. *District of Columbia v. Washington Sheraton Corp.*, 499 A.2d 109, 1985 D.C. App. LEXIS 505 (1985).

Cost replacement approach to value should not be applied to the taxation of the land and improvements that constitute new office buildings. *Square 345 Assoc. Partnership v. District of Columbia*, 123 WLR 1697 (Super. Ct. 1995).



**§ 47-820.01. Assessments — Improved residential real property owned by cooperative housing association; reports by association; Mayor to issue rules.**

(a) Except as otherwise provided by subsection (b) of this section, the assessed value of improved residential real property owned by a cooperative housing association, for the tax year beginning July 1, 1990, and for each subsequent tax year, shall be:

(1)(A) The aggregate estimated market value of the proprietary leases, stock, or other interests in the cooperative housing association as of January 1 preceding the date of assessment;

(B) If the Mayor lacks sufficient information upon which to arrive at the aggregate estimated market value of the proprietary leases, stock, or other cooperative interests in the real property, then an amount equal to the estimated market value of the real property assessed as if it were a condominium determined by use of the comparable sales approach, multiplied by 70%; or

(C) In the case of limited-equity cooperatives, the lesser of the assessed value determined under subparagraph (A) of this paragraph, subparagraph (B) of this paragraph, or the annual amount residents are paying in carrying charges, excluding carrying charge subsidies, divided by an appropriate capitalization rate as determined by the Office of Tax and Revenue; provided, that if a property ceases to be a limited-equity cooperative, it shall be assessed under subparagraph (A) or subparagraph (B) of this paragraph.

(2) Minus the value of all non-real property assets owned by the cooperative housing association; and

(3) Multiplied by 65%.

(b) The assessed value of any improved residential real property owned by a cooperative housing association determined pursuant to subsection (a) of this section may be adjusted to take into account any or all of the following factors, as appropriate and to the extent the factors were not taken into account in determining the assessed value of the real property pursuant to subsection (a) of this section:

(1) Substantive defects in the property, especially as they affect the common elements, which have not been repaired or which may not be economically correctable;

(2) The existence of bona fide lifetime or long-term leases to elderly or low income tenants;

(3) Any other unusual factor including, but not limited to, facts showing that the assumed 1-year sell-out period is an unreasonably low estimate; and

(4) Special factors related to limited equity cooperatives.

(c) The adjustment required by subsection (a)(3) of this section is based on the following factors common to all sales of improved residential real property owned by cooperative housing associations and uses 1 year as the period of time necessary for the purchaser of the real property to sell out the proprietary leases, stock, or other cooperative interests in the real property:

- (1) A discount of the ultimate receipts to present value;
- (2) Interest expenses during the 1-year sell-out period;
- (3) Taxes during the 1-year sell-out period;
- (4) Other operating expenses during the 1-year sell-out period including carrying charges, maintenance, and utilities;
- (5) Marketing expenses;
- (6) Other costs incurred in connection with acquisition of the real property and the reselling of the proprietary leases, stock, or other cooperative interests in the real property including financing points, project appraisal fees, surveys, and legal costs;
- (7) Profit; and

(8) No further adjustment for any of these factors shall be allowed except as provided in subsection (b)(3) of this section.

(d)(1) The Mayor may require a cooperative housing association to make a one-time submission of, and to provide an annual update to report any changes to, the following information in regard to real property owned by the cooperative housing association:

- (A) The type of cooperative;
- (B) The unit mix in the cooperative;
- (C) The number of balconies or terraces;
- (D) The total number of parking spaces, including whether they are interior or exterior;
- (E) For each unit in the cooperative:
  - (i) The number of shares or percentage interest attributable to the unit;
  - (ii) The floor location;
  - (iii) The unit exposure;
  - (iv) The square footage, if known;
  - (v) The number of rooms, excluding kitchens and bathrooms;
  - (vi) The number of bathrooms;
  - (vii) Any parking space, whether interior or exterior, and whether it is included in the purchase price; and
  - (viii) The most recent date on which the shares attributable to the unit transferred;
- (F) The square footage of the common areas, if known;
- (G) In regard to any existing cooperative blanket mortgage:
  - (i) The original amount of the blanket mortgage;
  - (ii) The interest rate; and
  - (iii) The maturity date; and
- (H) The total number of shares or percentage interest purchased and held by the cooperative housing association.

(2) If the cooperative housing association fails to submit the information within the time and in the form prescribed, there shall be added to the real property tax levied upon the property in question, for the next ensuing tax year, the amount of 10% of the tax, except that when the information is provided after the time prescribed and it is shown that the failure to provide it was due to reasonable cause, no addition shall be made to the tax.



(3) All information submitted by a cooperative housing association owner to the Mayor pursuant to this subsection shall be accorded the same confidentiality as that applied to District of Columbia income tax returns under § 47-1805.04, and any violation of confidentiality shall be punishable as provided in § 47-1805.04(e).

(e) The Mayor shall, pursuant to subchapter I of Chapter 5 of Title 2, issue proposed rules to implement the provisions of this section. The proposed rules shall be submitted to the Council for approval, in whole or in part, by resolution.

(Sept. 3, 1974, Pub. L. 93-407, title IV, § 421a, as added Mar. 16, 1989, D.C. Law 7-205, § 2(a), 36 DCR 457; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Oct. 20, 2005, D.C. Law 16-33, § 1276(b), 52 DCR 7503.)

**Section references.** — This section is referred to in §§ 47-821, 47-850.01, and 47-863.

**Prior Codifications.** — 1981 Ed., § 47-820.1.

**Effect of amendments.** — D.C. Law 16-33, in subsec. (a)(1)(A), substituted “,” for “; or”; in subsec. (a)(1)(B), substituted “; or” for “,”; and added subsec. (a)(1)(C).

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 2 of Real Property Tax Reassessment Temporary Act of 1996 (D.C. Law 11-207, April 9, 1997, law notification 44 DCR 2402).

**Emergency legislation.** — For temporary amendment of section, see § 103 of the Fiscal Year 1997 Budget Support Emergency Act of 1996 (D.C. Act 11-302, July 25, 1996, 43 DCR 4181).

For temporary addition of § 47-820.2 1980 Ed., see § 2 of the Real Property Tax Reassessment Emergency Act of 1996 (D.C. Act 11-308, August 1, 1996, 43 DCR 4211), and § 2 of the Real Property Tax Reassessment Congressional Review Emergency Act of 1996 (D.C. Act 11-418, October 28, 1996, 43 DCR 6085).

For temporary addition of § 47.820.2 1980 Ed., see § 2 of the Real Property Tax Reassessment Congressional Adjournment Emergency Act of 1997 (D.C. Act 12-11, March 3, 1997, 44 DCR 1741).

For temporary (90 day) amendment of section, see §§ 1276(b), 1277, 1278 of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

**Legislative history of Law 7-205.** — Law 7-205, the “Cooperative Housing Assessment Procedure and Lower Income Homeownership Tax Abatement and Incentives Act of 1988,” was introduced in Council and assigned Bill No. 7-548, which was referred to the Committee on Finance and Revenue. The Bill was adopted

on first and second readings on November 29, 1988 and December 13, 1988, respectively. Signed by the Mayor on January 6, 1989, it was assigned Act No. 7-276 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Delegation of Authority.** — Delegation of authority pursuant to D.C. Law 7-205 “Cooperative Housing Assessment Procedure and Lower Income Homeownership Tax Abatement and Incentives Act of 1983 Amendment Act of 1988”, see Mayor’s Order 89-136, June 12, 1989.

**Editor’s notes.** — Approval of proposed rules to implement provisions of Cooperative Housing Assessment Procedure and Lower Income Homeownership Tax Amendment Act of 1988: Pursuant to Resolution 8-80, the “Cooperative Housing Assessment Procedure Rulemaking Approval Resolution of 1989,” effective July 11, 1989, the Council approved the proposed rules to implement provisions of the Cooperative Housing Assessment Procedure and Lower Income Homeownership Tax Amendment Act of 1988 regarding the assessment of real property owned by cooperative housing associations.

Applicability and expiration of subtitle GG of title I, §§ 1275 to 1279, of D.C. Law 16-33: Sections 1277 and 1278 of D.C. Law 16-33, as amended by D.C. Law 17-219, § 7068(e), provided:

“Sec. 1277. Applicability; conditional effect.”

“(a) Section 1276 shall apply for taxable years beginning after September 30, 2005.

“(b) Repealed.

“Sec. 1278. Sunset.

“This act shall expire on August 5, 2006 if this act has not taken effect under section 1277.”

**§ 47-820.02. Residential real property subject to certain affordability and resale restrictions; Mayor to issue rules.**

(a) Except as otherwise provided in subsection (b) of this section, the assessed value of resale restricted properties (as defined in subsection (c) of this section) shall be:

(1)(A) First determined for the year in which the current property owner received the property.

(B) The base assessment amount shall be the amount paid by the current property owner in exchange for the property, not including any grants or other amounts received by the property owner from government agencies, housing organizations, and other entities that are not likely to be repaid (absent a violation of the terms of the limitations, encumbrances, or other restrictions attached to the sale).

(2) For subsequent years in which the limitations, encumbrances, or restrictions remain in effect, the property shall be assessed at the base assessment amount, adjusted by the consumer price inflation index for the Washington-Baltimore Metropolitan Area as reported by the Bureau of Labor Statistics, United States Department of Labor.

(b) If the purchase price is not ascertainable or the property has been transferred from a government entity or tax-exempt organization to a property owner without significant consideration, the property shall be assessed taking into account all limitations, encumbrances, and restrictions and shall be assessed in its initial year at a value not to exceed the price the property owner would receive under a sale under the terms of the limitations, encumbrances, and restrictions associated with the property. In any subsequent year in which the limitations, encumbrances, or restrictions remain in effect, the property's assessed value shall be calculated under subsection (a)(2) of this section.

(c) For the purposes of this section, the term "resale restricted properties" means any properties for which a United States or District of Columbia government entity, or a charitable organization with tax-exempt status under section 501(c)(3) of the Internal Revenue Code of 1986, approved October 22, 1986 (100 Stat. 2085; 26 U.S.C. § 501(c)(3)), directly or indirectly, imposes limitations, encumbrances, or restrictions upon the properties' subsequent sale or transfer that are intended to preserve or promote the affordability of housing for low- and moderate-income owners, for a period of not less than 5 years.

(d) The Mayor shall promulgate rules for the administration of this section within one year of October 20, 2005.

(Oct. 20, 2005, D.C. Law 16-33, § 1281(a)(3), 52 DCR 7503.)

**Emergency legislation.** — For temporary (90 day) additions, see §§ 1281(a)(3), 1282, 1283 of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Editor's notes.** — Applicability and expiration of subtitle HH of title I, §§ 1280 to 1284, of D.C. Law 16-33: Sections 1282 and 1283 of D.C.



Law 16-33, as amended by D.C. Law 17-219,  
§ 7068(f), (g), provided:

“(b) Repealed.

“Sec. 1283. Repealed.”

“Sec. 1282. Applicability; conditional effect.

“(a) Section 1281 shall apply for taxable  
years beginning after September 30, 2005.

## **§ 47-821. Assessments — General duties of Mayor; appointment of assessors; submission of information by property owners.**

(a) The Mayor shall assess all real property, identifying separately the value of land and improvements thereon, and administer and collect the real property tax within the District. The Mayor shall also notify owners of real property of assessments and of appeal procedures. In addition, he shall maintain adequate records relating to the administration of the real property tax in the District, and provide appropriate public information concerning such tax.

(b) The Mayor shall appoint assessors competent to determine values of real property to carry out the provisions of §§ 47-820 to 47-828 and other relevant portions of this chapter. Each person so appointed shall take and subscribe an oath to diligently, faithfully, and impartially assess all real property according to applicable law and regulations and otherwise perform the duties of office.

(c) The Mayor shall assure that information regarding the characteristics of real property, sales and exchanges of all such property, building permits, land use plans, and any other information pertinent to the assessment process shall be made available to the assessors on a timely basis.

(d)(1) The Mayor may require an owner of real property to submit such information relating to the transfers of ownership, construction or reproduction costs, and income or economic benefits derived from such property as in the Mayor's judgment will assist in the determination of the estimated market value required under this title. If an owner of real property in the District of Columbia fails to submit such information within the time and in the form prescribed, there shall be added to the real property tax levied upon the property in question for the next ensuing tax year the amount of 10% of said tax; provided, that when such information is provided after said time and it is shown that the failure to provide it was due to reasonable cause, no such addition shall be made to the tax.

(2)(A) Except as otherwise provided in this chapter or under a court order, an officer, former officer, employee, or former employee of the District may not open valuation records for public inspection or reveal any information contained in valuation records. For purposes of this section, the term “valuation records” means:

(i) Information regarding private appraisals, actual building costs, rental data, or business volume;

(ii) Income or expense forms; and

(iii) Rent rolls.

(B) Notwithstanding subparagraph (A) of this paragraph, the Mayor shall permit a valuation record of a real property to be inspected by:

(i) An owner or authorized agent of the property that is the subject of the valuation record; or

(ii) An official of the District of Columbia executive branch acting in his official capacity, having a right thereto in his official capacity; provided, that no official shall inspect or use, in any review or appeal under this chapter, any information provided to the Mayor under § 47-820(d) [(d) repealed] or this section, other than information provided to the Mayor for the real property under review or appeal; provided further, that nothing contained in this subsection shall be construed to:

(I) Prohibit the use by the official, in reviews or appeals, of statistical data in a form which ensures that the identification of a particular real property shall not be disclosed. The particular valuation records therefrom shall not be divulged or made known; or

(II) Prohibit the official from offering any information of the subject real property provided to defend the assessment of the subject real property in a review or appeal under this chapter.

(C) A violation of this paragraph shall be a misdemeanor and, upon conviction thereof, shall be punishable by a fine not exceeding \$1,000, by imprisonment for not more than 180 days, or both. All prosecutions under this subparagraph shall be brought in the Superior Court of the District of Columbia on information by the Attorney General for the District of Columbia in the name of the District of Columbia.

(e)(1) The Office of the Inspector General shall arrange for an independent audit of the Office of Tax and Revenue for the purposes of examining the District's management and valuation of commercial real property assessments. The independent audit shall be prepared by an outside firm, such as the International Association of Assessing Officers, that is knowledgeable and experienced in real property appraisal, assessment administration, and real property tax policy, with a demonstrated history of assisting local and state governments in evaluating assessment practices.

(2) The scope of the audit shall include the following:

(A) An evaluation of the commercial real property assessment process;

(B) An evaluation of the organizational structure, workload statistics, performance measures, compensation requirements, staffing levels, training, qualifications, and staff development functions; and

(C) An examination of hiring practices, including whether the human resources rules and regulations to which the Office of the Chief Financial Officer is subject, hinder or enhance the ability of the Office of Tax and Revenue to attract, develop, and retain a well-qualified workforce.

(3) The independent audit shall include recommendations for improving the commercial real property assessment functions within the Office of Tax and Revenue.

(4) The Office of the Inspector General shall submit a complete copy of the 1st audit findings, along with all of the recommendations made by the firm which performed the independent audit, to the Council, the Mayor, and the Chief Financial Officer on or before December 1, 2010. Thereafter, the Office of the Inspector General shall arrange for and submit a report meeting the



requirements of this section at least once every 3 years, or sooner upon request of the Council or the Mayor.

(f) The Chief Financial Officer shall submit to the Council, no later than July 1, 2010, an examination of the District's performance for the last 5 years in commercial real property valuation cases appealed by a taxpayer from the Real Property Tax Appeals Commission for the District of Columbia and decided by the Superior Court of the District of Columbia ("Superior Court") or the District of Columbia Court of Appeals. The information to be provided for each case shall include:

(1) Initial valuation of the subject property by the Office of Tax and Revenue;

(2) The Real Property Tax Appeals Commission for the District of Columbia decision on the taxpayer's appeal;

(3) Valuation of the subject property presented at trial in Superior Court by the Office of the Attorney General on behalf of the Office of Tax and Revenue;

(4) Valuation of the property presented by the taxpayer at trial in Superior Court; and

(5) The final valuation decision ordered by Superior Court or the District of Columbia Court of Appeals.

(Sept. 3, 1974, 88 Stat. 1054, Pub. L. 93-407, title IV, § 422; Jan. 3, 1975, 88 Stat. 2176, Pub. L. 93-635, § 6(e); Feb. 28, 1978, D.C. Law 2-45, § 5, 24 DCR 3614; June 22, 1983, D.C. Law 5-14, § 603, 30 DCR 2632; Sept. 9, 1989, D.C. Law 8-20, § 3, 36 DCR 4564; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 502(o), 48 DCR 334; Oct. 26, 2001, D.C. Law 14-42, § 10(c), 48 DCR 7612; Oct. 19, 2002, D.C. Law 14-213, § 33(f), 49 DCR 8140; Mar. 13, 2004, D.C. Law 15-105, § 26(c)(2), 51 DCR 881; Apr. 13, 2005, D.C. Law 15-354, § 73(b)(2), 52 DCR 2638; Sept. 24, 2010, D.C. Law 18-223, § 7182, 57 DCR 6242; Apr. 8, 2011, D.C. Law 18-363, § 3(g)(4), 58 DCR 963.)

**Section references.** — This section is referred to in § 47-825.01.

**Prior Codifications.** — 1981 Ed., § 47-821. 1973 Ed., § 47-642.

**Effect of amendments.** — D.C. Law 13-305 rewrote subsec. (d)(2) which had read:

"(2) All information submitted by a property owner to the Mayor regarding transfers of ownership, construction or reproduction costs, and income or economic benefits derived from real property in the District of Columbia shall be accorded the same confidentiality as that applied to District of Columbia income tax returns under § 47-1805.04 and any violation of such confidentiality shall be punishable as provided in § 47-1805.04(e)."

D.C. Law 14-42, in subsec. (d)(2)(B)(i)(I), substituted "identification of a particular real property shall not be disclosed" for "identification of a particular property".

D.C. Law 14-213, in subsec. (d)(2), validated a previously made technical correction.

D.C. Law 15-105, in the subsec. (d)(2)(B)(ii)(I), validated a previously made technical correction.

D.C. Law 15-354 substituted "Attorney General for the District of Columbia" for "Corporation Counsel".

D.C. Law 18-223 added subsecs. (e) and (f).

D.C. Law 18-363, in subsec. (f), substituted "Real Property Tax Appeals Commission for the District of Columbia" for "Board of Real Property Assessments and Appeals ('BRPAA') " in the lead-in text, and substituted "The Real Property Tax Appeals Commission for the District of Columbia" for "The BRPAA" in par. (2).

**Temporary Amendment of Section.** —

For temporary (225 day) amendment of section, see § 2(l) of Real Property Tax Clarity and Litter Control Administration Temporary

Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2(o) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see § 10(c) of Technical Amendments Emergency Act of 2001 (D.C. Act 14-108, August 3, 2001, 48 DCR 7622).

For temporary (90 day) amendment of section, see § 7182 of Fiscal Year 2011 Budget Support Emergency Act of 2010 (D.C. Act 18-463, July 2, 2010, 57 DCR 6542).

For temporary (90 day) addition of section, see § 7183 of Fiscal Year 2011 Budget Support Emergency Act of 2010 (D.C. Act 18-463, July 2, 2010, 57 DCR 6542).

**Legislative history of Law 2-45.** — For legislative history of D.C. Law 2-45, see Historical and Statutory Notes following § 47-849.

**Legislative history of Law 5-14.** — For legislative history of D.C. Law 5-14, see Historical and Statutory Notes following § 47-815.

**Legislative history of Law 8-20.** — Law 8-20, the “District of Columbia Recordation of Economic Interests in Real Property Tax Amendment Act of 1989,” was introduced in Council and assigned Bill No. 8-169, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on May 16, 1989 and May 30, 1989, respectively. Signed by the Mayor on June 14, 1989, it was assigned Act No. 8-42 and

transmitted to both Houses of Congress for its review.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Legislative history of Law 14-42.** — For Law 14-42, see notes following § 47-802.

**Legislative history of Law 14-213.** — For Law 14-213, see notes following § 47-820.

**Legislative history of Law 15-105.** — For Law 15-105, see notes following § 47-340.22.

**Legislative history of Law 15-354.** — For Law 15-354, see notes following § 47-340.03.

**Legislative history of Law 18-363.** — For history of Law 18-363, see notes under § 47-412.01.

**Legislative history of Law 18-223.** — For Law 18-223, see notes following § 47-355.05.

**Short title.** — Short title: Section 7181 of D.C. Law 18-223 provided that subtitle S of title VII of the act may be cited as the “Real Property Assessments Improvement Act of 2010”.

**Delegation of Authority.** — Delegation of authority under Law 5-14, see Mayor’s Order 83-190, July 25, 1983.

**Editor’s notes.** — Section 7183 of D.C. Law 18-223 provided: “The Board of Real Property Assessments and Appeals shall enter in a memorandum of understanding with the Office of the Inspector General to provide the funding for the independent audit with the funds appropriated for reform.”

Mayor authorized to issue rules: Section 1102 of D.C. Law 5-14 provided that the Mayor shall issue rules necessary to carry out the provisions of the act.

## CASE NOTES

### ANALYSIS

Construction with other laws.

In general.

Refunds.

### Construction with other laws.

Proposed initiative (Taxpayers’ Right to Know Act) was not made administrative and, therefore, was not invalidated by inconsistency with confidentiality statutes; rather, inconsistency demonstrated that initiative sought to establish new legislative policy. D.C. Code 1981, §§ 47-820(d), 47-821(d)(2). *Hessey v. Burden*, 615 A.2d 562, 1992 D.C. App. LEXIS 280 (1992), remanded by, appeal dismissed sub nomine *Price v. District of Columbia Bd. of Elections & Ethics*, 645 A.2d 594, 1994 D.C. App. LEXIS 121 (D.C. 1994).

Statute preventing District of Columbia Council from adopting regulations affecting tax assessments in conflict with confidentiality policy does not prevent Council from changing policy by enacting another statute. D.C. Code

1981, §§ 47-820(c, d), 47-821(d)(2). *Hessey v. Burden*, 615 A.2d 562, 1992 D.C. App. LEXIS 280 (1992), remanded by, appeal dismissed sub nomine *Price v. District of Columbia Bd. of Elections & Ethics*, 645 A.2d 594, 1994 D.C. App. LEXIS 121 (D.C. 1994).

### In general.

Fact that assessor assessed real property by formula, taking into account property site and corner location and its square footage, did not require reversal on ground that valuation was arbitrary, where taxpayers could prove neither that basis of formula was unlawful or that assessor’s computation of formula in case was inaccurate. D.C. Code 1981, § 47-821(a). *Wolf v. District of Columbia*, 609 A.2d 672, 1992 D.C. App. LEXIS 160 (1992).

Even if taxpayer could challenge assessment of improvements as excessive while relying on presumption that assessment of land was proper, evidence including testimony of taxpayer’s own valuation expert was sufficient to overcome presumption and support finding



that land was substantially undervalued. D.C. Code 1981, §§ 47-820(a), 47-821(a). *Washington Post Co. v. District of Columbia*, 596 A.2d 517, 1991 D.C. App. LEXIS 219 (1991).

#### **Refunds.**

Taxpayer is entitled to refund when assessment of "real property," i.e., combination of land and improvements thereon, is excessive, not when allocation of value between land and improvements is erroneous. D.C. Code 1981, §§ 47-820(a), 47-821(a). *Washington Post Co. v.*

*District of Columbia*, 596 A.2d 517, 1991 D.C. App. LEXIS 219 (1991).

Taxpayer was not entitled to refund based on significant overvaluation of improvements where there was also significant undervaluation of land itself, with result that assessment on "real property" as a whole was fair and accurate or possibly even favorable to taxpayer. D.C. Code 1981, §§ 47-820(a), 47-821(a). *Washington Post Co. v. District of Columbia*, 596 A.2d 517, 1991 D.C. App. LEXIS 219 (1991).

### **§ 47-822. Assessments — Person in whose name assessment made; address and number to be used.**

(a) All real property, except as hereinafter provided, shall be assessed in the name of the owner, or trustee or trustees of the owner thereof. All undivided real property of a deceased person may be assessed in the name of such deceased person until such undivided real property is divided according to law, or has otherwise passed into the possession of some other person; and all real property, the ownership of which is unknown, shall be assessed as owner unknown.

(b) All real property, whether taxable or not, shall be assessed according to the address and the number of the squares and lots thereof, or part of lots, and upon the number of the square or superficial feet in each square or lot or part of a lot.

(Sept. 3, 1974, 88 Stat. 1054, Pub. L. 93-407, title IV, § 423; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-821.

**Prior Codifications.** — 1981 Ed., § 47-822. 1973 Ed., § 47-643.

#### **CASE NOTES**

##### **In general.**

Statute permitting Department of Finance and Revenue to continue to carry property in name of deceased owner presumes that new owner's interest in property is sufficient to make it reasonably likely he will receive tax and redemption notices sent in name and address of deceased. D.C. Code § 47-643(a). *Watson v. Scheve*, 424 A.2d 1089, 1980 D.C. App. LEXIS 422 (1980).

Department of Finance and Revenue is not obliged by statutes to record one to whom property was transferred by will as proper owner and mail assessments to him. D.C. Code

§§ 47-403, 47-643(a). *Watson v. Scheve*, 424 A.2d 1089, 1980 D.C. App. LEXIS 422 (1980).

When one who receives real property by devise neglects to record himself as owner of record, Department of Finance and Revenue is authorized by statute to continue tax assessments in name and address of deceased, because burden of ascertaining names and addresses or heirs or devisees of deceased owner is unreasonable for District to assume in comparison with responsibility necessarily assumed by new owner. D.C. Code § 47-643(a). *Watson v. Scheve*, 424 A.2d 1089, 1980 D.C. App. LEXIS 422 (1980).

### **§ 47-823. Assessments — Preliminary roll; public inspections and copying of material; sales ratio studies; listing of assessed values.**

(a)(1) The Mayor shall compile the estimated assessment roll and, for every

property, indicate at least the following: the name of the owner; address of the property; lot and square; assessed value; and whether the property is taxable or exempt.

(2) The roll shall also include the total aggregate estimated assessed value of all real property, listing the values of the properties by class as set forth in § 47-813.

(3) The Mayor shall transmit to the Council, no later than May 15 of each fiscal year, a mid-year financial report. The report shall contain:

(A) Schedules which reflect actual obligations for the General Fund object classes of the District government for the first 6 months of the fiscal and a forecast of full-year obligations compared to the most recent Congressionally-approved budget;

(B) A comparison of the most recent Congressionally-approved budget to the mid-year forecast for the full fiscal year by appropriations title and agency; and

(C) A schedule of revenue estimates for the full fiscal year comparing the current approved revenue estimates to revenue estimates revised as of the end of the first 6 months of the fiscal year.

(b) The estimated assessment roll, together with all maps, field books, assessment-sales ratio studies, surveys, and plats, shall be open to public inspection during normal business hours. In addition, any notes and memorandums relating to the assessment of his real property, or a statement clearly indicating the basis upon which his real property has been assessed, shall be open to inspection by the owner or his designated representative during normal business hours. Provision shall be made to furnish copies of all material to any person, upon request, at the lowest charge which covers cost of making such copies.

(c) The Mayor shall undertake, publish, and otherwise publicize the results of assessment-sales ratio studies for different types of real property for the entire District and for different types of real property within each of the districts utilized in making assessments. If, for a given year, adequate sales data are lacking for particular studies, the Mayor shall so indicate.

(d) The Mayor shall, either himself or in a newspaper of general circulation, publish a listing of the assessed value of each property by address, lot, and square, and he shall also make such listing available at the main Public Library in the District and at such other points as he may determine. Such publication can be by neighborhood areas so long as maps showing the assessment areas are generally available.

(e) The estimated assessment roll, sales price information, description of each property, owner's mailing address, property use information, valuation history, other information in the public record, and information not made confidential in this chapter may be published by the Mayor by any form of electronic media, including the Internet.

(Sept. 3, 1974, 88 Stat. 1054, Pub. L. 93-407, title IV, § 424; Sept. 26, 1984, D.C. Law 5-113, § 803, 31 DCR 3974; Sept. 20, 1990, D.C. Law 8-160, § 2(c), 37 DCR 4653; Mar. 17, 1993, D.C. Law 9-241, § 2(b), 40 DCR 629; June 14,



1994, D.C. Law 10-127, § 5(d), 41 DCR 2050; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 502(p), 48 DCR 334.)

**Section references.** — This section is referred to in §§ 47-821 and 47-824.

**Prior Codifications.** — 1981 Ed., § 47-823. 1973 Ed., § 47-644.

**Effect of amendments.** — D.C. Law 13-350 rewrote subsec. (a); in subsec. (b), substituted “estimated” for “preliminary” in the first sentence and substituted “owner” for “taxpayer” in the second sentence; and added subsec. (e).

Prior to amendment, subsec. (a) read:

“(a)(1) The Mayor shall, on or before February 15 of each year, compile in tabular form and place in a book, known as the preliminary assessment roll, the name of the owner, address, lot and square, amount, description, and value, as of January 1 of that year, of the land and improvements of all real property whether such property is taxable or exempt.

“(2) Such roll shall also include the total aggregate preliminary assessed value of all taxable real property listing the values of such properties by class as set forth in § 47-813(c-1), (c-2), and (c-3).

“(3) The Mayor shall transmit to the Council, no later than May 15 of each fiscal year, a mid-year financial report. The report shall contain:

“(A) Schedules which reflect actual obligations for the general fund object classes of the government for the first 6 months and a forecast of full-year obligations compared against the most recent Congressionally approved budget;

“(B) A comparison of the most recent Congressionally approved budget against a mid-year forecast for the full fiscal year by appropriations title and agency; and

“(C) A schedule of revenue estimates for the full fiscal year comparing the current approved revenue estimates to revenue estimates revised

as of the end of the first 6 months of the fiscal year.”

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2(m) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2(p) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 5-113.** — Law 5-113, the “District of Columbia Revenue Act of 1984,” was introduced in Council and assigned Bill No. 5-370, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 26, 1984 and July 10, 1984, respectively. Signed by the Mayor on July 13, 1984, it was assigned Act No. 5-164 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 8-160.** — For legislative history of D.C. Law 8-160, see Historical and Statutory Notes following § 47-813.

**Legislative history of Law 9-241.** — For legislative history of D.C. Law 9-241, see Historical and Statutory Notes following § 47-825.01.

**Legislative history of Law 10-127.** — For legislative history of D.C. Law 10-127, see Historical and Statutory Notes following § 47-812.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Editor’s notes.** — Mayor authorized to issue rules: Section 901 of D.C. Law 5-113 provided that the Mayor shall issue rules to implement the provisions of the act pursuant to subchapter I of Chapter 5 of Title 2.

## § 47-824. Assessments — Notice to taxpayer; contents.

(a) Except as provided in subsection (b) of this section, beginning as soon as possible after January 1, but no later than March 1, each owner of real property shall be notified of the assessment of his or her property for the next real property tax year. The notice, or the statement accompanying the notice, shall include:

(1) The address, lot, square, use, and class of the real property;

(2) The assessed value of the land and improvements (shown separately and in total) of the property for the next real property tax year and such amounts for the current real property tax year;

(3) The amount and percentage of change in assessed value for the next real property tax year over the current real property tax year;

(4) An indication of the reason for such change in assessment;  
 (5) A statement of appeal procedures pursuant to § 47-825.01(f) [repealed];

(6) The citation to the regulations or orders under which the property was assessed;

(7) The location of the assessment roll and sale ratio studies referred to in §§ 47-823 and 47-825.01(h) [repealed] and the hours during which the information is available; and

(8) An explanation of all special benefits, incentives, limitations, or credits which relate to real property taxes as a result of this or any other act. Included in said explanation shall be an easily understood description of the Property Tax Deferral Program, the property tax credit, the homestead deduction, and the incentives for the preservation of historic properties. Each description shall include, but not be limited to, application procedures and qualifying requirements. The title of each property tax relief program shall be capitalized, underlined, and printed in bold type.

(b)(1) Beginning with real property assessments for Tax Year 1999 and for each real property tax year thereafter, each owner of real property shall be notified of a proposed change in the assessed value of the owner's real property on or before March 1.

(2) A written notice of the proposed assessment shall be required if any of the following occurs:

- (A) The assessed value of the real property increases or decreases;
- (B) The classification of the real property changes;
- (C) An initial assessed value is established; or
- (D) A revaluation or reclassification is made.

(3) The notice required pursuant to this subsection shall include the following information:

- (A) The address, lot, square, and the classification of the real property;
- (B) The current assessed value of the real property;
- (C) The proposed assessed value;
- (D) Except when revalued under § 47-820(b-2), the phased-in assessed value if the proposed assessed value is higher than the prior tax year's assessed value;

(E) Repealed;

(F) A statement explaining the right of appeal procedures pursuant to § 47-825.01(f-1);

(G) Repealed;

(H) Repealed;

(I) Unless published on the Internet or made available in writing to anyone who requests it from the Office of Tax and Revenue, an explanation of all special benefits, incentives, or deductions which relate to real property taxes; and

(J) For properties receiving the homestead deduction:

(i) The prior year's taxable assessment (determined by taking into account the owner-occupant residential tax credit under § 47-864); and

(ii) The proposed taxable assessment (determined by taking into account the owner-occupant residential tax credit under § 47-864).



(4) Notwithstanding any other law, the Mayor may notify an owner of real property of a proposed change in the assessed value of the owner's real property before May 2 if a delay occurs for cause, as determined by the Mayor. If a delay for cause occurs, the Mayor shall notify the owner of the delay within a reasonable period of time from discovery of the cause. If a delayed notice of proposed change in the assessed value is issued under this paragraph, a petition for administrative review in accordance with § 47-825.01(f-1)(1) may be filed within 30 days after the date the delayed notice is mailed in lieu of April 2.

(c) In addition to the information required in subsections (a) and (b) of this section, beginning with real property assessments for tax year 2013 and for each real property tax year thereafter, each owner of real property with a historic landmark designation and each owner of real property located within a historic district shall be provided, in accordance with [§ 6-1109.04], information on the current law and regulation relating to historic property improvements, including regarding:

- (1) Building permits;
- (2) Consultation with Advisory Neighborhood Commissions;
- (3) Review by the Commission of Fine Arts; and

(4) Any other information that the Mayor determines would be helpful to owners of historic properties.

(Sept. 3, 1974, 88 Stat. 1055, Pub. L. 93-407, title IV, § 425; Oct. 13, 1978, D.C. Law 2-119, § 2, 25 DCR 1514; Sept. 20, 1990, D.C. Law 8-160, § 2(d), 37 DCR 4653; Mar. 17, 1993, D.C. Law 9-241, § 2(c), 40 DCR 629; June 14, 1994, D.C. Law 10-127, § 5(e), 41 DCR 2050; May 16, 1995, D.C. Law 10-255, § 41, 41 DCR 5193; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Oct. 23, 1997, D.C. Law 12-40, § 101(d), 44 DCR 4859; Apr. 20, 1999, D.C. Law 12-264, § 52(m), 46 DCR 2118; June 9, 2001, D.C. Law 13-305, § 502(q), 48 DCR 334; Oct. 3, 2001, D.C. Law 14-28, § 2002(e), 48 DCR 6981; Sept. 19, 2006, D.C. Law 16-159, § 2(a), 53 DCR 5385; Apr. 27, 2012, D.C. Law 19-123, § 3, 59 DCR 1707; July 13, 2012, D.C. Law 19-155, § 3(c), 59 DCR 5590.)

**Section references.** — This section is referred to in §§ 47-821 and 47-825.01.

**Prior Codifications.** — 1981 Ed., § 47-824. 1973 Ed., § 47-645.

**Effect of amendments.** — D.C. Law 13-305 added subsec. (b)(4).

D.C. Law 14-28, in subsec. (b)(2)(A), inserted “real” preceding “property”; in subsec. (b)(3)(A), deleted “use”, in subsec. (b)(3)(B), substituted “of the real property” for “of the land and improvements (shown separately and in total) of the property”, in subsec. (b)(3)(D), substituted “Except when revalued under § 47-820(b-2), the phased-in” for “The phased-in”, repealed subsec. (b)(3)(E), (G) and (H), and rewrote (I); and, in subsec. (b)(4), substituted “within 30 days after the date the delayed notice is mailed in lieu of April 2” for “before September 2 in lieu of April 2.”

D.C. Law 16-159, in subsec. (b)(3), deleted “and” from the end of subpar. (H), substituted “; and” for a period at the end of subpar. (I), and added subpar. (J).

D.C. Law 19-123 added subsec. (c).

D.C. Law 19-155 rewrote subsec. (b)(3)(F); and, in subsec. (b)(4), substituted “47-825.01a(d)(1)” for “§ 47-825.01(f-1) (1)”. Prior to amendment, subsec. (b)(3)(F) read as follows: “(F) A statement explaining the right of appeal procedures pursuant to § 47 825.01(f 1);”

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2(c) of District of Columbia Real Property Tax Reclassification Amendment Temporary Act of 1990 (D.C. Law 8-146, July 25, 1990, law notification 37 DCR 5134).

For temporary (225 day) amendment of section, see § 2(n) of Real Property Tax Clarity

and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

For temporary (225 day) amendment of section, see § 2(b) of Real Property Tax Assessment Transition Temporary Act of 2001 (D.C. Law 14-23, September 6, 2001, law notification 48 DCR 9093).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2(q) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see §§ 2(e), 3 of Real Property Tax Assessment Transition Emergency Act of 2001 (D.C. Act 14-44, April 18, 2001, 48 DCR 3844).

For temporary (90 day) amendment of section, see §§ 2(e), 3 of Real Property Tax Assessment Transition Congressional Review Emergency Act of 2001 (D.C. Act 14-116, August 3, 2001, 48 DCR 7659).

**Legislative history of Law 2-119.** — Law 2-119, the “Property Tax Deferral Reform Act of 1978,” was introduced in Council and assigned Bill No. 2-324, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 27, 1978 and July 11, 1978, respectively. Signed by the Mayor on August 1, 1978, it was assigned Act No. 2-249 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 8-160.** — For legislative history of D.C. Law 8-160, see Historical and Statutory Notes following § 47-813.

**Legislative history of Law 9-241.** — For legislative history of D.C. Law 9-241, see Historical and Statutory Notes following § 47-825.01.

**Legislative history of Law 10-127.** — For legislative history of D.C. Law 10-127, see Historical and Statutory Notes following § 47-812.

**Legislative history of Law 10-255.** — For legislative history of D.C. Law 10-255, see Historical and Statutory Notes following § 47-818.01.

**Legislative history of Law 12-40.** — For legislative history of D.C. Law 12-40, see Historical and Statutory Notes following § 47-802.

**Legislative history of Law 12-264.** — Law 12-264, the “Technical Amendments Act of 1998,” was introduced in Council and assigned Bill No. 12-804, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 10, 1998, and December 1, 1998, respectively. Signed by the Mayor on January 7, 1999, it was assigned Act No. 12-626 and transmitted to both Houses of Congress for its review. D.C. Law 12-264 became effective on April 20, 1999.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Legislative history of Law 14-28.** — For Law 14-28, see notes following § 47-387.51.

**Legislative history of Law 16-159.** — Law 16-159, the “Board of Real Property Assessments and Appeals Reform Act of 2006,” was introduced in Council and assigned Bill No. 16-228 which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on May 2, 2006, and June 6, 2006, respectively. Signed by the Mayor on June 26, 2006, it was assigned Act No. 16-400 and transmitted to both Houses of Congress for its review. D.C. Law 16-159 became effective on September 19, 2006.

**Legislative history of Law 19-123.** — Law 19-123, the “Historic Property Improvement Notification Amendment Act of 2012,” was introduced in Council and assigned Bill No. 19-429, which was referred to the Committee on Libraries, Parks, Recreation & Planning. The Bill was adopted on first and second readings on January 4, 2012, and February 7, 2012, respectively. Signed by the Mayor on February 21, 2012, it was assigned Act No. 19-315 and transmitted to both Houses of Congress for its review. D.C. Law 19-123 became effective on April 27, 2012.

**Legislative history of Law 19-155.** — For history of Law 19-155, see notes under § 47-825.01a.

**References in text.** — “This or any other act,” referred to in the first sentence in (8), should be read as “the District of Columbia Real Property Tax Revision Act of 1974 or any other act.” The Real Property Tax Revision Act of 1974 is 88 Stat. 1051, Pub. L. 93-407, title IV, which was approved September 3, 1974, and which is codified as §§ 47-504, 47-801, 47-802, 47-811 to 47-828, 47-842 to 47-848, 47-861, 47-1001, 47-1002, 47-2001, and 47-3305.

**Editor’s notes.** — Mayor authorized to issue rules: See Historical and Statutory Notes following § 47-813.

Expiration of title I of D.C. Law 12-40: Section 105(b) of D.C. Law 12-40 provided that title I of that act shall expire 4 years from its effective date. D.C. Law 12-40 became effective on October 23, 1997.

Mayor authorized to issue rules: Section 104 of D.C. Law 12-40 provided that the Mayor may promulgate rules necessary for the implementation of this title.

Audit of triennial assessment process: Section 103 of D.C. Law 12-40 provided that at the end of the first triennial assessment cycle, an audit of the assessment process shall be conducted by an outside firm, under the auspices of the International Association of Assessing Officers, for the purposes of examining the methodology, procedures, and accuracy of real property assessments under the triennial assessment process. The results of the audit



shall be provided to the Council of the District of Columbia.

Review of title I provisions after 3 years: Section 105(a) of title I of D.C. Law 12-40 provided that after 3 years, the Committee on Finance and Revenue shall review the provisions of this title and make recommendations

for their continuance, amendment, or termination.

Expiration and review of title I of D.C. Law 12-40: Section 2003 of D.C. Law 14-28 repealed the expiration provision of section 105(b) and the review provision of section 105(a) of D.C. Law 12-40.

## CASE NOTES

### In general.

Department of Finance and Revenue properly exercised its authority by assessing real property taxes on taxpayers' commercial real estate based on "corrected" notices of assessment after discovering that original notices were incorrect due to clerical error, in that Department was empowered to impartially as-

sess property in accord with specific legislative and regulatory guidelines, and as such it had not only the power, but the duty to insure that true values arrived at by the assessors were accurately transmitted. D.C. Code 1978 Supp., §§ 47-644(a), 47-645, 47-646(e-g, i). 1776 K Street Associates v. District of Columbia, 446 A.2d 1114, 1982 D.C. App. LEXIS 317 (1982).

## § 47-825. Assessments — Board of Equalization and Review. [Repealed].

Repealed.

(Mar. 17, 1993, D.C. Law 9-241, § 2(d), 40 DCR 629.)

**Section references.** — This section is referred to in §§ 1-636.02, 47-821, and 47-1009.

**Prior Codifications.** — 1981 Ed., § 47-825.

**Legislative history of Law 9-241.** — For

legislative history of D.C. Law 9-241, see Historical and Statutory Notes following § 47-825.01.

## § 47-825.01. Board of Real Property Assessments and Appeals.

(A) The Board shall be composed of 18 members, all of whom shall be residents of the District of Columbia ("District"). Board members shall be active members of the District of Columbia Bar with real estate experience, District certified general real estate appraisers, District licensed residential real estate appraisers, certified public accountants, mortgage bankers, licensed District real estate brokers, or persons possessing significant real property experience.

(B) The Mayor shall appoint the members of the Board with the advice and consent of the Council. From time to time, the Mayor shall appoint, with the advice and consent of the Council, the chairperson of the Board from among the members meeting the qualifications of subparagraph (A) of this paragraph. The member shall serve as chairperson for a term of 3 years or until the end of the member's term, whichever occurs first.

(C) Board members shall be persons who have knowledge of the valuation of property, real estate transactions, building costs, accounting, finance, or statistics.

(D) None of the Board members may be officers of the District government. For the purposes of this subparagraph, officers means the Mayor and the members of the Council.

(E) Repealed.

(2)(A) A Board member shall be prohibited from representing any client or business interest before the Board for a period of 2 years after the Board member's termination or resignation from the Board.

(B) A Board member shall be prohibited from reviewing an appeal involving real property with which the Board member has had any financial dealings in the 2-year period prior to the date of the appeal. For the purposes of this subsection, the term "financial dealings" shall include, but not be limited to, the assessment, appraisal, purchase, sale, or rental of the real property in question.

(C) In addition to any other penalty under any other law, any violation of this paragraph shall be a misdemeanor, shall be prosecuted by the Office of the Attorney General for the District of Columbia, and shall be punishable by a fine up to \$5,000 for each occurrence.

(3)(A) The term of each Board member shall be 3 years, except as provided in subparagraph (B) of this paragraph.

(B) For the initial 18 appointments or reappointments to Board members for full terms after [September 19, 2006]:

(i) The first 6 Board members appointed to the Board shall be appointed for a term ending April 30, 2011.

(ii) The next 6 Board members appointed to the Board shall be appointed for a term ending April 30, 2012.

(iii) The final 6 Board members appointed to the Board shall be appointed for a term ending April 30, 2013.

(4)(A) A vacancy on the Board shall be filled in the same manner that the original appointment was made.

(B) Any person appointed to fill a vacancy shall be appointed to serve for the remainder of the term during which the vacancy arose.

(C) Repealed.

(5) Board members shall receive compensation at the rate of \$50 per hour.

(b) The Mayor shall provide such other support as is needed for the efficient operation of the Board.

(c)(1) The Board shall convene as necessary from the first Monday in January until the Mayor is presented with the assessment roll for the tax year as provided in subsection (h) of this section. The Board shall also convene as necessary after any special assessment that shall be generally applicable to a class of real property and for other business of the Board.

(2) Except as provided in subsection (d) of this section, a majority of the Board shall constitute a quorum for transacting business.

(3) Pursuant to subchapter I of Chapter 5 of Title 2, the Board shall issue rules of organization and procedure. All applicable provisions of subchapter I of Chapter 5 of Title 2 shall apply to the rules and procedures of the Board.

(4) The Board shall meet at least 4 times annually for administrative matters. All administrative meetings of the Board shall be open to the public. The Board shall publish notification of the meetings in the District of Columbia Register and shall make copies of minutes of those meetings available to the public.



(d)(1)(A) Each appeal to the Board shall be reviewed by a 3-member panel of the Board, unless the appellant agrees to a 2-member panel.

(B) A stipulation signed by the Mayor and the owner that resolves a matter may be approved by the signature of one member.

(2) No 3 Board members shall serve exclusively together on the same panel for more than 1 tax year.

(3) No Board member may review an appeal for which that member has a direct or indirect interest.

(4) Each decision of the Board concerning an appeal shall be in writing and shall contain a detailed statement of the basis for the decision. Each decision shall be signed by each Board member who participated in the hearing and deliberations and shall indicate whether a participating Board member agreed with or dissented from the decision of the panel.

(5) All meetings of the Board, including hearings of individual appeals of Class 3 Property assessments, shall be open to the public, and the public shall not be excluded in any way from hearings on these individual appeals. All information presented at Board meetings, including individual appeals of Class 3 Property assessments, shall be available for public inspection.

(e) The Board chairman has the authority to bring before the Board any assessments that the Board chairman believes may have been incorrectly assessed. In addition, any taxpayer may, on behalf of the general public of the District, appeal to the Board the assessment of any real property, except Class 1 Property, or may intervene in any appeal brought by the owner of Class 2 Property or Class 3 Property.

(f) Repealed.

(f-1) Beginning with real property assessments for Tax Year 1999 and for each tax year thereafter:

(1)(A) On or before April 1 of the immediately preceding tax year, an owner may petition for an administrative review of the real property's assessed value or its classification that shall be in effect for the tax year at issue.

(B) If the real property is transferred to a new owner between January 1 through March 1 of the immediately preceding tax year for which the proposed assessed value or classification shall be in effect, the new owner may petition for an administrative review before April 2 of the immediately preceding tax year.

(C) If a real property is transferred to a new owner after March 1st of the immediately preceding tax year for which the proposed assessed value or classification shall be in effect, and no other petition or appeal has been filed for the real property, the new owner may before:

(i) The 61st day after the date of transfer of the real property, file a petition for an administrative review; provided, that a petition may not be filed after July 1 of the immediately preceding tax year;

(ii) October 1 of the tax year, file an appeal with the Board if the 60th day after the date of transfer of the real property occurs after July 1 of the immediately preceding tax year and no petition for an administrative review was filed by such July 1;

(iii) April 2 of the tax year, file a petition for an administrative review if the 61st day after the date of transfer of the real property occurs after

September 30 of the immediately preceding tax year and no appeal to the Board was filed by such September 30; or

(iv) October 16 of the next succeeding tax year, file an appeal with the Board if the 60th day after the date of transfer of the real property occurs after April 1 of the tax year and no petition for an administrative review was filed by such April 1.

(D) The Mayor shall have authority to change a proposed assessed value or classification in accordance with a final determination made on a petition for administrative review.

(E) A final determination or Board decision shall pertain to the value or classification of the real property for the tax year at issue.

(F) A petition for an administrative review under this paragraph shall be filed on a form and in the manner prescribed by the Mayor.

(1A) An owner or new owner of real property revalued under § 47-820(b-2) may petition for an administrative review of, and appeal to the Board, the real property's proposed assessed value or classification that shall be in effect for the tax year at issue in the same manner and to the same extent as an owner or new owner under paragraph (1) of this subsection. The petition or appeal filed under authority of this paragraph shall be deemed to have been filed under paragraph (1) of this subsection.

(2)(A) If an owner is aggrieved by a notice of final determination on a petition for administrative review, the owner may file an appeal from the proposed assessed value or classification with the Board within 45 days from the date of the notice of final determination. All notices of final determination shall be accompanied by the assessor's worksheets indicating the rationale for the determination, if the assessment is raised or lowered. If a notice of final determination on a petition for an administrative review brought under paragraph (1)(A) or (1)(B) of this subsection and the assessor's worksheets relating thereto, if required, are not sent to the owner before August 2, the owner may appeal the proposed assessed value or classification to the Board before October 1; provided, that if a delayed notice is issued under § 47-824(b)(4), September 2 and October 16 shall be substituted for August 2 and October 1, respectively.

(B) An owner may supplement the original filing if new information has become available that was not available prior to the filing deadline by delivering a copy of the supplemental filing to the Board and the Mayor no later than 15 business days after the filing of the appeal.

(2A) If an owner is aggrieved by a notice of final determination issued pursuant to § 42-3131.15 or a notice of final determination issued under § 47-813(d-1)(3A), the owner may file an appeal on the determination of vacancy with the Board within 45 days from the date of such notice. The Board shall render a decision on the appeal within 120 days of filing.

(3) Unless otherwise provided in this section, a good faith petition for an administrative review shall be a prerequisite for filing an appeal from a proposed assessed value or classification with the Board and a petition to the Mayor for reconsideration of the designation of their building as vacant shall be a prerequisite for filing an appeal with the Board pursuant to § 42-3131.15.



(4) An appeal shall be filed on a form prescribed by the Board. The form shall state clearly that all information and evidence in support of the appeal must be filed with the appeal form and that the owner is entitled to obtain, pursuant to paragraph (6) of this subsection, any response to the appeal filed by the Mayor. All information in support of the petition shall be submitted at the time the appeal is filed except that the petitioner shall have the right to rebut any evidence submitted by the Mayor in response to the appeal and the Board may request additional information it deems necessary.

(5) The Board shall have the authority to establish the assessed value of residential real property without a hearing when the Mayor and the real property owner agree upon the assessed value of the residential real property.

(6)(A) At least 20 business days prior to the hearing, the Board shall provide the Mayor with a copy of the appeal and the date that the hearing is scheduled.

(B)(i) At least 5 business days prior to the scheduled hearing, the Mayor shall provide a copy of its response to the owner's appeal to the Board.

(ii) The Mayor shall make any response filed with the Board available to the real property owner for inspection and copying at least 5 business days prior to the scheduled hearing. Any charges for copying by the Mayor shall be at cost.

(iii) For cases involving single family residences and condominiums, at least 7 business days prior to the scheduled hearing, the Mayor shall mail a copy of the response that was filed with the Board to the owner.

(iv) Any evidence not submitted in accordance with this subparagraph shall be excluded by the Board at hearing, unless the response is a direct rebuttal to a contention raised by the owner which was not in the appeal filed by the owner.

(7) Every decision filed by the Board shall be maintained by the Board for 3 years and shall be made available for examination and photocopying by any requestor. All costs associated with photocopying shall be paid for by the requestor. Nothing in this subsection shall affect the confidentiality of information as provided in § 47-821(d)(2).

(8) The Board shall notify the Mayor of any decision on an appeal from a proposed assessed value, classification, or determination of vacancy at the same time the Board notifies the owner.

(f-2) Repealed.

(g)(1) Pursuant to applicable provisions of law or rules adopted by the Council, or orders of the Mayor, the Board shall attempt to assure that all real property is assessed at the estimated market value.

(2) The Board shall raise or lower the estimated market value of any real property that it finds to be more than 5% above or below the estimated market value for any assessment appealed by an owner.

(h) Repealed.

(h-1)(1) The Mayor may make an administrative or clerical correction to an assessment only for the current or immediately succeeding tax year; provided, that:

(A) The Mayor may make an administrative or clerical correction to an

assessment only for the current or immediately succeeding tax year; provided, that:

(B) The owner may petition and appeal in the same manner and to the same extent as a new owner under subsection (f-1)(1) of this section and the date of the correction shall be deemed to be the date of transfer thereunder.

(2) Notwithstanding § 47-820(a-1), the Mayor may change an assessment or real property classification which is the result of a substantial error that would cause an injustice to the owner for the immediately succeeding, current, or preceding 3 tax years.

(i) The Board shall not order an increase of the assessed value of any parcel of real property above its estimated market value or a decrease of the assessed value of any parcel of real property below its estimated market value solely on the basis of average ratio studies comparing sales and assessments, unless the studies are the primary basis for the assessment or reassessment of the concerned property in question.

(j) Repealed.

(j-1) Except as provided in § 47-830, an owner aggrieved by a proposed assessed value or classification may appeal the proposed assessed value or classification to the Superior Court of the District of Columbia in the same manner and to the same extent as provided in §§ 47-3303 and 47-3304 before October 1 of the next succeeding tax year; provided, that (1) the owner shall have first appealed in good faith the assessed value or classification to the Board immediately preceding the appeal to the Superior Court; and (2) a new owner, who filed a petition or appeal under subsection (f-1)(1)(C)(iii) or (iv) of this section, respectively, may, before October 1 of the next 2 succeeding tax years, appeal the proposed assessed value or classification in the same manner and to the same extent as provided in §§ 47-3303 and 47-3304.

(j-2) If an owner's second-half installment payment is placed on extended billing under § 47-811(b) to a date after September 15, the owner shall have 15 days from the payment due date to appeal to the Superior Court of the District of Columbia the proposed assessed value or classification in the same manner, to the same extent, and subject to the same limitations and requirements (except the filing deadline as provided in this subsection) as provided in subsection (j-1) of this section.

(k) Repealed.

(k-1) Notwithstanding the definition of owner and taxpayer in § 47-802(5) to include persons other than the owner of record of real property, the owner of record of real property shall retain the right to appeal an assessment under this section.

(l)(1) By October 1st, following the end of each tax year, the Board shall present to the Council and to the Mayor an annual report on its operations for the preceding tax year. The report shall include, but not be limited to, the following:

(A) The total number of appeals heard and decided by the Board;

(B) A breakdown of appeals decided by class of property as those classes are defined in § 47-813, stating the following for each class:

(i) The total number of assessments sustained;



- (ii) The total number of assessments increased;
- (iii) The total number of assessments decreased;
- (iv) The percentage of the increased, decreased, and sustained assessments;
- (v) The gain and loss in assessed value;
- (vi) The total revenue gain to the District as a result of the increases by the tax year;
- (vii) The total revenue loss to the District as a result of decreases by the tax year; and
- (viii) The total net revenue impact on the District as a result of the Board's decisions;

(C) An analysis of the Board's operations for the year, including the identification of any problems and recommendations for dealing with the problems; and

(D) A listing, for each Board member, of the total number of appeals heard and decided, the number of hours worked, and the total amount of compensation paid.

(2) The District of Columbia Auditor shall perform a management audit of the activities of the Board at least once every 3 fiscal years (or sooner as considered appropriate by the Auditor) or upon request of a Councilmember, and report the findings to the Council.

(3) The Board shall establish a program during which all new Board members receive training in the various aspects of property valuation for all classes of property, as well as orientation on Board rules and regulations.

(m)(1) By February 1 of each year, all pending real property assessment appeals cases filed in the prior calendar year shall be finalized by the Board.

(2) After the completion of the hearing, the Board shall have 30 days to finalize a residential real property case and 80 days to finalize a commercial case real property case.

(Sept. 3, 1974, Pub. L. 93-407, title IV, § 426a, as added Mar. 17, 1993, D.C. Law 9-241, § 2(e), 40 DCR 629; Sept. 30, 1993, D.C. Law 10-25, § 103, 40 DCR 5489; Mar. 23, 1994, D.C. Law 10-98, § 2, 41 DCR 531; June 14, 1994, D.C. Law 10-127, § 5(f), 41 DCR 2050; May 16, 1995, D.C. Law 10-255, § 42, 41 DCR 5193; Mar. 29, 1996, D.C. Law 11-109, § 2, 43 DCR 526; Apr. 18, 1996, D.C. Law 11-110, § 53, 43 DCR 530; Apr. 9, 1997, D.C. Law 11-194, § 2, 43 DCR 4557; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575 1575; May 22, 1997, D.C. Law 11-269, §§ 2(a), (b), 43 DCR 6868; Oct. 23, 1997, D.C. Law 12-40, § 101(e), 44 DCR 4859; Mar. 7, 2000, D.C. Law 13-55, § 2, 46 DCR 8868; Oct. 19, 2000, D.C. Law 13-172, § 2405, 47 DCR 6308; June 9, 2001, D.C. Law 13-305, § 502(r), 48 DCR 334; June 19, 2001, D.C. Law 13-313, § 16(a), 48 DCR 1873; Oct. 3, 2001, D.C. Law 14-28, § 2002(f), 48 DCR 6981; Oct. 26, 2001, D.C. Law 14-42, § 10(d), 48 DCR 7612; Apr. 4, 2003, D.C. Law 14-282, § 11(h), 50 DCR 896; June 5, 2003, D.C. Law 14-307, § 1303(c), 49 DCR 11664; Mar. 13, 2004, D.C. Law 15-105, § 26(c)(3), 51 DCR 881; Dec. 7, 2004, D.C. Law 15-205, § 1162(a), 51 DCR 8441; Apr. 13, 2005, D.C. Law 15-354, § 73(b)(3), 52 DCR 2638; Sept. 19, 2006, D.C. Law 16-159, § 2(b), 53 DCR

5385; Aug. 15, 2008, D.C. Law 17-216, § 4(c), 55 DCR 7500; Aug. 16, 2008, D.C. Law 17-219, § 7015, 55 DCR 7598; Mar. 25, 2009, D.C. Law 17-353, § 121, 56 DCR 1117.)

**Cross references.** — District of Columbia administration, board and commission members, compensation, see § 1-611.08.

Nominees and candidates for public office, disclosure of conflicts of interest, see § 1-1106.02.

**Section references.** — This section is referred to in §§ 1-523.01, 47-811.02, 47-813, 47-820, 47-821, 47-824, 47-825.03, 47-831, 47-835, 47-845.01, and 47-1005.01.

**Prior Codifications.** — 1981 Ed., § 47-825.1.

**Effect of amendments.** — D.C. Law 13-172 rewrote subsec. (l)(2) which formerly provided: "The District of Columbia Auditor shall perform an annual management audit on the activities of the Board for the previous appeal season and report the findings to the Council by January 1st."

D.C. Law 13-55 rewrote subsec. (a)(1)(A) in order to simplify the requirements for the Board of Real Property Assessments and Appeals membership.

D.C. Law 13-305 amended the section heading without change; repealed subsec. (f); rewrote subsec. (f-1); in subsec. (g)(2), substituted "an owner" for "a taxpayer"; rewrote subssecs. (h-1) and (j-1); and added subssecs. (j-2) and (k-1).

Prior to amendment, subssecs. (f), (f-1), (h-1), and (j-1) read:

"(f)(1) On or before April 30th of each year, any owner of real property, or owner's representative, may file with the Board an appeal of the amount of the owner's assessment for the upcoming tax year on a form prescribed by the Board. The form shall state clearly that all information and evidence in support of the appeal must be filed with the appeal form and shall include a statement that the owner, or owner's representative, is entitled to view, pursuant to paragraph (3) of this subsection, any response to the appeal filed by the Mayor or Assessor. All information in support of the petition shall be submitted at the time the appeal is filed except that the petitioner shall have the right to rebut any evidence submitted by the Mayor or Assessor in response to the appeal, and except that the Board may request additional information it deems necessary.

"(2) The Board shall have the authority to establish the assessed value of residential real property, without a hearing, when the Mayor and the real property owner, or owner's representative, agree upon the assessed value of the residential real property.

"(3) The real property owner, or the owner's representative, is entitled to view any response

by the Mayor to an appeal filed by the owner or owner's representative. The Mayor shall make the response available for viewing at a reasonable time upon the request of the real property owner or owner's representative. However, in no event shall the response be made available less than 5 days prior to the scheduled hearing.

"(4) Every decision filed by the Board shall be maintained by the Board for 2 years and shall be made available for examination and photocopying at cost to any requestor. Nothing in this subsection shall affect the confidentiality of information as provided in § 47-821(d)(2)."

"(f-1) Beginning with real property assessments for Tax Year 1999 and for each tax year thereafter:

"(1) A real property owner, may petition for an administrative review of the owner's proposed real property assessment, equalization, valuation, or classification on or before April 1 following the date of the notice of proposed assessment. The petition for an administrative review shall be filed, in writing, on a form and in a manner as the Mayor may prescribe.

"(A) The Mayor shall have the authority to change any assessment or classification in accordance with a final determination made on a petition for administrative review.

"(B) If the property is transferred to a new owner at a time that prevents the new owner from receiving a notice of proposed assessment on or before March 1, the new owner may petition for an administrative review of the assessment, equalization, valuation, or classification of the newly acquired property within 60 days from the date of transfer of the property. However, no petition for an administrative review may be filed after the July 1 that immediately precedes the tax year in which the assessment shall be in effect.

"(2) If a real property owner is aggrieved by a final determination made pursuant to paragraph (1) of this subsection, the real property owner may file an appeal from the assessment, equalization, valuation, or classification with the Board. The appeal shall be filed within 30 days from the date of a notice of final determination on the petition for an administrative review. If a notice of final determination is not provided to the owner on or before August 1, the property owner may appeal the assessment, equalization, valuation, or classification with the Board on or before September 30.

"(3)(A) A petition for an administrative review shall be a prerequisite for filing an appeal from an assessment, equalization, valuation, or classification with the Board.



"(B) However, no petition for an administrative review shall be required before a real property owner may appeal an assessment, equalization, valuation, or classification to the Board if the property is transferred at a time that prevents the new owner from petitioning for an administrative review of the assessment, equalization, valuation, or classification on or before July 1. In this case, the new owner may appeal the assessment, equalization, valuation, or classification to the Board on or before September 30.

"(4) An appeal shall be filed on a form prescribed by the Board. The form shall state clearly that all information and evidence in support of the appeal must be filed with the appeal form and that the owner is entitled to obtain, pursuant to paragraph (6) of this subsection, any response to the appeal filed by the Mayor. All information in support of the petition shall be submitted at the time the appeal is filed except that the petitioner shall have the right to rebut any evidence submitted by the Mayor in response to the appeal and the Board may request additional information it deems necessary.

"(5) The Board shall have the authority to establish the assessed value of residential real property without a hearing when the Mayor and the real property owner agree upon the assessed value of the residential real property.

"(6) The real property owner is entitled to obtain any response made by the Mayor to an appeal filed by the owner with the Board. The Mayor shall make the response available at a reasonable time upon the request of the real property owner and no less than 5 business days prior to a scheduled hearing. At least 15 business days prior to the scheduled hearing, the Board shall provide the Mayor with a copy of the appeal.

"(7) Every decision filed by the Board shall be maintained by the Board for 3 years and shall be made available for examination and photocopying by any requestor. All costs associated with photocopying shall be paid for by the requestor. Nothing in this subsection shall affect the confidentiality of information as provided in § 47-821(d)(2).

"(8) The Board shall notify the Mayor of any decision on an appeal from an assessment, equalization, valuation, or classification at the same time it notifies the property owner."

"(h-1)(1) Effective October 1, 1998, the Mayor shall estimate the assessment roll in the District of Columbia. The estimate of the assessment roll shall be submitted to the Council of the District of Columbia by the Mayor on the same date the proposed real property tax rates are published.

"(2) The Mayor may make an administrative or clerical correction to any assessment or cor-

rect any real property classification only for the current or immediately forthcoming tax year."

"(j-1) Beginning with real property assessments for Tax Year 1999 and for each tax year thereafter, except as provided in § 47-3305, within 6 months after March 30th following the calendar year in which a real property assessment, equalization, valuation, or classification was made, any taxpayer aggrieved by a real property assessment, equalization, valuation, or classification may appeal the real property assessment, equalization, valuation, or classification in the same manner and to the same extent as provided in §§ 47-3303 and 47-3304, provided that, the taxpayer shall have first appealed the assessment, equalization, valuation, or classification to the Board as provided in subsections (f-1) and (f-2) of this section."

D.C. Law 13-313 repealed subsec. (a)(4)(C) which had read:

"A Board member may continue to serve after the expiration of his or her term until a successor is appointed, but for no more than 3 months."

D.C. Law 14-28, in subsec. (f-1), added par (1A), in par. (2), substituted "October 1; provided, that if a delayed notice is issued under § 47-824(b)(4), September 2 and October 16 shall be substituted for August 2 and October 1, respectively" for "October 1", in par. (3), substituted "good faith petition" for "petition"; repealed subsec. (f-2); and in subsec. (j-1), substituted "before October 1 of the next succeeding tax year" for "before October 1 of the tax year for which the proposed assessed value or classification is in effect", substituted "(1) the owner shall have first appealed in good faith the assessed value or classification to the Board immediately preceding the appeal to the Superior Court" for "(1) the owner shall have first appealed the proposed assessed value or classification to the Board", and substituted "a good faith appeal to the Board, may, before October 1 of the next 2 succeeding tax years" for "an appeal to the Board, may, before October 1 of the next succeeding tax year in which the proposed assessed value or classification is in effect".

D.C. Law 14-42, in subsec. (f-1)(1)(C)(ii), deleted "immediately preceding" following "October 1 of the"; and in (f-1)(2), substituted "paragraph (1)(A) or (1)(B) of this subsection" for "subsection (f-1)(1)(A) or (f-1)(1)(B) of this section".

D.C. Law 14-282, in subsec. (f-1)(2), substituted "rationale for the determination, if the assessment is raised or lowered" for "rationale for the determination" and substituted "worksheets relating thereto, if required, are" for "worksheets relating thereto are".

D.C. Law 14-307, in subsec. (d)(5), substituted "Class 3 Property" for "Class 5 property"; in subsec. (e), deleted "Class 2 Property, or

Class 3 Property” following “Class 1 Property”, and substituted “Class 2 Property or Class 3 Property” for “that property”; in subsec. (f-1)(1)(C), made nonsubstantive changes to subpars. (ii) and (iii), and added sub-par. (iv); in subsec. (h-1)(1), deleted “or correct a real property classification” following “assessment”; and in subsec. (j-1), substituted “or appeal under subsection (f-1)(1)(C)(iii) or (iv) of this section, respectively” for “for an administrative review under subsection (f-1)(1)(C)(iii) of this section and a good faith appeal to the Board”.

D.C. Law 15-105, in par. (1)(C)(ii) of subsec. (f-1), validated a previously made correction.

D.C. Law 15-205, in sub-subpar. (iv) of subpar. (C) of par. (1) of subsec. (f-1), substituted “April 1” for “July 1” in two places.

D.C. Law 15-354 substituted “Attorney General for the District of Columbia” for “Corporation Counsel”.

D.C. Law 16-159 rewrote subsecs. (a) and (d)(1); in subsec. (d)(2), substituted “serve exclusively” for “serve”; rewrote subsecs. (f-1)(1), (2), and (6); and added subsec. (m).

D.C. Law 17-216, in subsec. (f-1), added par. (2A), substituted “Board and a petition to the Mayor for reconsideration of the designation of their building as vacant shall be a prerequisite for filing an appeal with the Board pursuant to § 42.3131.15 for “Board” in par. (3), and substituted “value, classification, or determination of vacancy” for “value or classification” in par. (8).

D.C. Law 17-219, in subsec. (a)(5), substituted “\$50 per hour” for “\$35 per meeting”.

D.C. Law 17-353, in subsec. (a)(1)(D), substituted “this subparagraph” for “this subchapter”.

**Temporary Amendment of Section. —**

For temporary (225 day) amendment of section, see § 103 of Omnibus Budget Support Temporary Act of 1993 (D.C. Law 10-11, August 6, 1993, law notification 40 DCR 6213).

For temporary (225 day) addition of § 3a to D.C. Law 11-269, see § 2 of Assessments Initiative Procedures Temporary Amendment Act of 1997 (D.C. Law 12-11, September 5, 1997, law notification 44 DCR 5453).

For temporary (225 day) addition of § 3a to D.C. Law 11-269, see § 2(a) of Real Property Tax Rate and Assessment Initiative Temporary Amendment Act of 1998 (D.C. Law 12-123, June 11, 1998, law notification 45 DCR 6289).

For temporary (225 day) amendment of section, see § 2 of Real Property Tax Appeal Filing Deadline Extension Temporary Act of 1999 (D.C. Law 13-66, May 31, 2000, law notification 46 DCR 2514).

For temporary (225 day) amendment of section, see § 2(a) of Real Property Equitable Tax Relief Temporary Act of 1999 (D.C. Law 13-196, October 21, 2000, law notification 47 DCR 8986).

For temporary (225 day) amendment of section, see § 2(o) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

For temporary (225 day) amendment of section, see § 2(f) of Real Property Tax Assessment Transition Temporary Act of 2001 (D.C. Law 14-23, September 6, 2001, law notification 48 DCR 9093).

For temporary (225 day) amendment of section, see § 12(i) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(i) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

For temporary (225 day) amendment of section, see § 2(a) of Owner-Occupant Residential Tax Credit and Homestead Deductions Temporary Act of 2004 (D.C. Law 15-159, May 18, 2004, law notification 51 DCR 5699).

Section 2 of D.C. Law 16-17, in subsec. (a), substituted “3” for “2” in par. (1)(B), inserted “For the purposes of this subparagraph, officers means employees of the District of Columbia.” in par. (1)(D), rewrote par. (2)(A), substituted “Office of the Attorney General” for “Corporation Counsel” in par. (2)(C), rewrote pars. (3) and (4)(B); in subsec. (d)(2), inserted “exclusively” following “serve”; and, added subsec. (m).

Pars. (a)(2)(A), (a)(3), and (a)(4)(B) and subsec. (m) read as follows:

“(A) A Board member shall be prohibited from representing any client or business interest before the Board for a period of 2 years after the Board member’s termination or resignation from the Board.”

“(3)(A) The term of each Board member appointed prior to April 1, 2006 shall be 5 years.

“(B) The term of each Board member appointed after March 31, 2006 shall be 3 years.”

“(B) Any person appointed to fill a vacancy shall be appointed to serve for the remainder of the term during which the vacancy arose.”

“(m)(1) By February 1 of each year all pending real property assessment appeals cases shall be finalized by the Board.

“(2) The Board members shall have 30 days to finalize a residential case and 80 days to finalize a commercial case upon the completion of the hearing.

“(3) If the Board fails to comply with the requirements of this subsection, the petitioner shall still be entitled to a hearing or having a decision rendered on their case, and in no way will the petitioner’s right to an appeal before the Board shall not be affected.”

Section 4(b) of D.C. Law 16-17 provided that the act shall expire after 225 days of its having taken effect.



Section 4(b) of D.C. Law 16-259, in subsec. (f-1), in par. (3), substituted "Board and a petition to the Mayor for reconsideration of the designation of their building as vacant shall be a prerequisite for filing an appeal with the Board pursuant to § 42-3131.15" for "Board", in par. (8), substituted "value, classification or determination of vacancy" for "value or classification", and added par. (2A) to read as follows:

"(2A) If an owner is aggrieved by a notice of final determination issued pursuant to § 42-3131.15 or a notice of final determination issued under § 47-813(d-1)(3A), the owner may file an appeal on the determination of vacancy with the Board within 45 days from the date of such notice. The Board shall render a decision on the appeal within 120 days of filing."

Section 7(b) of D.C. Law 16-259 provided that the act shall expire after 225 days of its having taken effect.

Section 4(b) of D.C. Law 17-102, in subsec. (f-1), in par. (3), substituted "Board and a petition to the Mayor for reconsideration of the designation of their building as vacant shall be a prerequisite for filing an appeal with the Board pursuant to § 42-3131.15" for "Board", in par. (8), substituted "value, classification, or determination of vacancy" for "value or classification", and added par. (2A) to read as follows:

"(2A) If an owner is aggrieved by a notice of final determination issued pursuant to § 42-3131.15 or a notice of final determination issued under § 47-813(d-1)(3A), the owner may file an appeal on the determination of vacancy with the Board within 45 days from the date of such notice. The Board shall render a decision on the appeal within 120 days of filing."

Section 7(b) of D.C. Law 17-102 provided that the act shall expire after 225 days of its having taken effect.

Section 4 of D.C. Law 19-75, in subsec. (f-1)(6)(A), substituted "For residential cases, at least 10 days prior to the hearing, and for commercial cases, at least 20 days prior to the hearing," for "At least 20 business days prior to the hearing,".

Section 8(b) of D.C. Law 19-75 provided that the act shall expire after 225 days of its having taken effect.

**Temporary Addition of Section.** — Section 2 of D.C. Law 19-9 added a section to D.C. Law 18-363 to read as follows: "Sec. 3a. Applicability. Sections 2 and 3 shall apply as of October 1, 2011."

Section 4(b) of D.C. Law 19-9 provided that the act shall expire after 225 days of its having taken effect.

Section 2 of D.C. Law 19-75 added a section to D.C. Law 18-363 to read as follows:

"Sec. 3a. Applicability; transition.

"(a) Sections 2 and 3 shall apply upon Council approval and appointment by the Mayor of a full-time Chairperson and a full-time Vice

Chairperson to the Real Property Tax Appeals Commission for the District of Columbia.

"(b) Notwithstanding subsection (a) of this section, the Mayor shall appoint the members of the Real Property Tax Appeals Commission for the District of Columbia with the advice and consent of the Council in accordance with the provisions of section 2(b)(3)."

Section 8(b) of D.C. Law 19-75 provided that the act shall expire after 225 days of its having taken effect.

**Temporary Repeal of Section.** — Section 6 of D.C. Law 19-75 repealed D.C. Law 19-9.

**Emergency legislation.** — For temporary amendment of section, see § 2 of the District of Columbia Board of Real Property Assessments and Appeals Membership Simplification Emergency Amendment Act of 1996 (D.C. Act 11-207, February 13, 1996, 43 DCR 792).

For temporary addition of a § 3a to D.C. Law 11-269 regarding the application of that law, see § 2 of the Assessments Initiative Procedures Emergency Amendment Act of 1997 (D.C. Act 12-68, May 1, 1997, 44 DCR 2864) and § 2 of the Assessments Initiative Procedures Congressional Review Emergency Amendment Act of 1997 (D.C. Act 12-134, August 1, 1997, 44 DCR 4664).

For temporary amendment of § 3a to D.C. Law 11-269 regarding the application of that law, as added by D.C. Law 12-11, 44 DCR 3614, see § 3 of the Real Property Tax Rates and Assessment Initiative Emergency Amendment Act of 1998 (D.C. Act 12-299, March 4, 1998, 45 DCR 1780).

For temporary (90-day) amendment of section, see § 2 of the Real Property Tax Appeal Filing Deadline Extension Emergency Act of 1999 (D.C. Act 13-142, September 30, 1999, 46 DCR 9900).

For temporary (90-day) amendment of section, see § 2405 of the Fiscal Year 2001 Budget Support Emergency Act of 2000 (D.C. Act 13-376, July 24, 2000, 47 DCR 6574).

For temporary (90-day) amendment of section, see § 2(a) of the Real Property Equitable Tax Relief Emergency Act of 2000 (D.C. Act 13-380, July 24, 2000, 47 DCR 6691).

For temporary (90 day) amendment of section, see § 2405 of the Fiscal Year 2001 Budget Support Congressional Review Emergency Act of 2000 (D.C. Act 13-438, October 20, 2000, 47 DCR 8740).

For temporary (90 day) amendment of section, see § 2(r)(2) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see §§ 2(f), 3 of Real Property Tax Assessment Transition Emergency Act of 2001 (D.C. Act 14-44, April 18, 2001, 48 DCR 3844).

For temporary (90 day) amendment of section, see § 10(d) of Technical Amendments Emergency Act of 2001 (D.C. Act 14-108, August 3, 2001, 48 DCR 7622).

For temporary (90 day) amendment of section, see §§ 2(f), 3 of Real Property Tax Assessment Transition Congressional Review Emergency Act of 2001 (D.C. Act 14-116, August 3, 2001, 48 DCR 7659).

For temporary (90 day) amendment of section, see §§ 1303(c) and 1304 of Fiscal Year 2003 Budget Support Amendment Emergency Act of 2002 (D.C. Act 14-544, December 4, 2002, 49 DCR 11700).

For temporary (90 day) amendment of section, see §§ 1303(c) and 1304 of the Fiscal Year 2003 Budget Support Amendment Congressional Review Emergency Act of 2003 (D.C. Act 15-27, February 24, 2003, 50 DCR 2151).

For temporary (90 day) amendment of section, see § 12(i) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 12(i) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(i) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

For temporary (90 day) amendment of section, see §§ 1303(c) and 1304 of Fiscal Year 2003 Budget Support Amendment Second Congressional Review Emergency Act of 2003 (D.C. Act 15-103, June 20, 2003, 50 DCR 5499).

For temporary (90 day) amendment of section, see § 2(a) of Owner-Occupant Residential Tax Credit and Homestead Deduction Clarification Emergency Act of 2004 (D.C. Act 15-374, February 24, 2004, 51 DCR 2618).

For temporary (90 day) amendment of section, see § 1162(a) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) amendment of section, see § 1162(a) of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

For temporary (90 day) amendment of section, see § 2 of Board of Real Property Assessments and Appeals Reform Emergency Act of 2005 (D.C. Act 16-87, May 18, 2005, 52 DCR 5267).

For temporary (90 day) amendment of section, see § 2 of Board of Real Property Assessments and Appeals Reform Congressional Review Emergency Act of 2005 (D.C. Act 16-145, July 26, 2005, 52 DCR 7183).

For temporary (90 day) amendment of section, see § 4(b) of Nuisance Properties Abate-

ment Reform and Real Property Classification Emergency Amendment Act of 2006 (D.C. Act 16-586, December 28, 2006, 54 DCR 353).

For temporary (90 day) amendment of section, see § 4(b) of Nuisance Properties Abatement Reform and Real Property Classification Emergency Amendment Act of 2007 (D.C. Act 17-173, November 2, 2007, 54 DCR 11204).

For temporary (90 day) amendment of section, see § 4(b) of Nuisance Properties Abatement Reform and Real Property Classification Congressional Review Emergency Act of 2008 (D.C. Act 17-436, July 16, 2008, 55 DCR 8272).

For temporary (90 day) addition of § 3a of D.C. Law 18-363, see § 2 of Real Property Tax Appeals Commission Establishment Emergency Amendment Act of 2011 (D.C. Act 19-33, March 15, 2011, 58 DCR 2608).

For temporary (90 day) addition of § 3a of D.C. Law 18-363, see § 2 of Real Property Tax Appeals Commission Establishment Congressional Review Emergency Amendment Act of 2011 (D.C. Act 19-76, June 23, 2011, 58 DCR 5377).

For temporary (90 day) amendment of section, see § 2 of Real Property Tax Appeals Commission Establishment Emergency Act of 2011 (D.C. Act 19-146, August 9, 2011, 58 DCR 6826).

For temporary (90 day) addition of section 3a of D.C. Law 18-363, see § 2 of Real Property Tax Appeals Commission Establishment Clarification Emergency Amendment Act of 2011 (D.C. Act 19-169, October 11, 2011, 58 DCR 8905).

For temporary (90 day) amendment of section, see § 4 of Real Property Tax Appeals Commission Establishment Clarification Emergency Amendment Act of 2011 (D.C. Act 19-169, October 11, 2011, 58 DCR 8905).

For temporary (90 day) addition of section 3a of D.C. Law 18-363, see § 2 of Real Property Tax Appeals Commission Establishment Clarification Congressional Review Emergency Amendment Act of 2011 (D.C. Act 19-256, December 21, 2011, 58 DCR 11219).

For temporary (90 day) addition of section 3a of D.C. Law 18-363, see § 4 of Real Property Tax Appeals Commission Establishment Clarification Congressional Review Emergency Amendment Act of 2011 (D.C. Act 19-256, December 21, 2011, 58 DCR 11219).

For temporary (90 day) repeal of D.C. Law 19-9, see § 6 of Real Property Tax Appeals Commission Establishment Clarification Congressional Review Emergency Amendment Act of 2011 (D.C. Act 19-256, December 21, 2011, 58 DCR 11219).

**Legislative history of Law 9-241.** — Law 9-241, the “Real Property Tax Assessment Appeal Process Revision Amendment Act of 1992,” was introduced in Council and assigned Bill No. 9-199, which was referred to the Committee



of the Whole. The Bill was adopted on first and second readings on December 1, 1992, and December 15, 1992, respectively. Signed by the Mayor on January 5, 1993, it was assigned Act No. 9-375 and transmitted to both Houses of Congress for its review. D.C. Law 9-241 became effective on March 17, 1993.

**Legislative history of Law 10-25.** — For legislative history of D.C. Law 10-25, see Historical and Statutory Notes following § 47-802.

**Legislative history of Law 10-98.** — Law 10-98, the "Board of Real Property Assessments and Appeals Amendment Act of 1994," was introduced in Council and assigned Bill No. 10-475, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on December 7, 1993, and January 4, 1994, respectively. Signed by the Mayor on January 25, 1994, it was assigned Act No. 10-182 and transmitted to both Houses of Congress for its review. D.C. Law 10-98 became effective on March 23, 1994.

**Legislative history of Law 10-127.** — For legislative history of D.C. Law 10-127, see Historical and Statutory Notes following § 47-812.

**Legislative history of Law 10-255.** — For legislative history of D.C. Law 10-255, see Historical and Statutory Notes following § 47-818.01.

**Legislative history of Law 11-109.** — Law 11-109, the "BRPAA Membership Simplification Act," was introduced in Council and assigned Bill No. 11-470, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on December 5, 1995, and January 4, 1996, respectively. Signed by the Mayor on January 26, 1996, it was assigned Act No. 11-197 and transmitted to both Houses of Congress for its review. D.C. Law 11-109 became effective on March 29, 1996.

**Legislative history of Law 11-110.** — Law 11-110, the "Technical Amendments Act of 1996," was introduced in Council and assigned Bill No. 11-485, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on December 5, 1995, and January 4, 1996, respectively. Signed by the Mayor on January 26, 1996, it was assigned Act No. 11-199 and transmitted to both Houses of Congress for its review. D.C. Law 11-110 became effective on April 18, 1996.

**Legislative history of Law 11-194.** — Law 11-194, the "Board of Real Property Assessments and Appeals Membership Qualification Act of 1996," was introduced in Council and assigned Bill No. 11-577, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on June 19, 1996, and July 3, 1996, respectively. Signed by the Mayor on July 26, 1996, it was assigned Act No. 11-354 and transmitted to both Houses

of Congress for its review. D.C. Law 11-194 became effective on April 9, 1997.

**Legislative history of Law 11-269.** — Law 11-269 was submitted to the electors of the District of Columbia as Initiative No. 51. D.C. Law 11-269 (Act 11-458) became law on May 22, 1997.

**Legislative history of Law 12-40.** — For legislative history of D.C. Law 12-40, see Historical and Statutory Notes following § 47-802.

**Legislative history of Law 13-55.** — Law 13-55, the "District of Columbia Board of Real Property Assessments and Appeals Membership Simplification Act of 1999," was introduced in Council and assigned Bill No. 13-140, which was referred to the Committee on Local and Regional Affairs. The Bill was adopted on first and second readings on July 6, 1999, and September 21, 1999, respectively. Signed by the Mayor on October 8, 1999, it was assigned Act No. 13-154 and transmitted to both Houses of Congress for its review. D.C. Law 13-55 became effective on March 7, 2000.

**Legislative history of Law 13-172.** — Law 13-172, the "Fiscal Year 2001 Budget Support Act of 2000," was introduced in Council and assigned Bill No. 13-679, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on May 15, 2000, and June 6, 2000, respectively. Signed by the Mayor on June 26, 2000, it was assigned Act No. 13-175 and transmitted to both Houses of Congress for its review. D.C. Law 13-172 became effective on October 19, 2000.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Legislative history of Law 13-313.** — Law 13-313, the "Technical Amendment Act of 2000," was introduced in Council and assigned Bill No. 13-879, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on December 5, 2000, and December 19, 2000, respectively. Signed by the Mayor on January 19, 2001, it was assigned Act No. 13-574 and transmitted to both Houses of Congress for its review. D.C. Law 13-313 became effective on June 19, 2001.

**Legislative history of Law 14-28.** — For Law 14-28, see notes following § 47-387.51.

**Legislative history of Law 14-42.** — For Law 14-42, see notes following § 47-802.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-405.

**Legislative history of Law 14-307.** — For Law 14-307, see notes following § 47-368.01.

**Legislative history of Law 15-105.** — For Law 15-105, see notes following § 47-340.22.

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-308.01.

**Legislative history of Law 15-354.** — For Law 15-354, see notes following § 47-340.03.

**Legislative history of Law 16-17.** — Law 16-17, the "Board of Real Property Assessments

and Appeals Reform Temporary Act of 2005", was introduced in Council and assigned Bill No. 16-268, and was retained by Council. The Bill was adopted on first and second readings on May 3, 2005, and June 7, 2005, respectively. Signed by the Mayor on June 21, 2005, it was assigned Act No. 16-101 and transmitted to both Houses of Congress for its review. D.C. Law 16-17 became effective on September 14, 2005.

**Legislative history of Law 16-159.** — For Law 16-159, see notes following § 47-824.

**Legislative history of Law 17-216.** — For Law 17-216, see notes following § 47-812.

**Legislative history of Law 17-219.** — For Law 17-219, see notes following § 47-318.05a.

**Legislative history of Law 17-353.** — For Law 17-353, see notes following § 47-308.

**Short title.** — Short title of subtitle O of title I of Law 15-205: Section 1161 of D.C. Law 15-205 provided that subtitle O of title I of the act may be cited as the Owner-Occupant Residential Tax Credit and Homestead Deduction Clarification Act of 2004.

**Short title.** Section 7014 of D.C. Law 17-219 provided that subtitle G of title VII of the act may be cited as the "Board of Real Property Assessments and Appeals Compensation Act of 2008".

**References in text.** — The "Real Property Tax Assessment Appeal Process Revision Amendment Act of 1992," referred to in (a)(3)(B), is D.C. Law 9-241.

**Severability of Law** — Severability of D.C. Law 11-269: Section 3 of D.C. Law 11-269 provided: "If any provision of this act or the application thereof to any person or circumstances is held invalid, the invalidity does not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are severable."

**Editor's notes.** — Applicability of D.C. Law 16-159, § 2(b)(1)(E): Section 4 of D.C. Law 16-159 provided that section 2(b)(1)(E) shall apply as of October 1, 2006.

Section 5(a) of D.C. Law 17-216 provided that sections 2, 3, and 4(b) and (c) shall apply to real property tax years beginning after September 30, 2006.

Section 7016 of D.C. Law 17-219 provided that this subtitle shall apply as of October 1, 2007.

Law 18-363 repealed this section effective April 8, 2011, however, Act 19-33 delayed its repeal until October 1, 2011.

Section 4 of D.C. Law 19-155 added a section to D.C. Law 18-363 to read as follows:

"Sec. 3a. Applicability; transition.

"(a) Sections 2 and 3 shall apply upon Council approval and appointment by the Mayor of a full-time Chairperson and a full-time Vice

Chairperson to the Real Property Tax Appeals Commission for the District of Columbia.

"(b) Notwithstanding subsection (a) of this section, the Mayor shall appoint the members of the Real Property Tax Appeals Commission for the District of Columbia with the advice and consent of the Council in accordance with the provisions of section 2(b)(3))."

Application of Law 11-269: Section 3a of D.C. Law 11-269, as added by § 3 of D.C. Law 12-122, provided that the provisions of the act shall apply to appeals from real property assessments for real property tax year 2000 and for each real property tax year thereafter.

Application of Law 14-307: Section 1304 of D.C. Law 14-307 provided: "Sections 1302 and 1303 shall apply as of October 1, 2002."

Mayor authorized to issue rules: Section 7 of D.C. Law 9-241 provided that the Mayor shall issue rules necessary to implement the provisions of the act pursuant to subchapter I of Chapter 5 of Title 2.

Expiration of title I of D.C. Law 12-40: Section 105(b) of D.C. Law 12-40 provided that title I of that act shall expire 4 years from its effective date. D.C. Law 12-40 became effective on October 23, 1997.

Application of §§ 101(e)(3), 101(e)(5), and 101(e)(7) of D.C. Law 12-40: Section 102 of D.C. Law 12-40, as amended by § 54 of D.C. Law 12-264, provided that §§ 101(e)(3), 101(e)(5), and 101(e)(7) shall apply as of Sept. 30, 1998. Sections 101(e)(3), 101(e)(5), and 101(e)(7) repealed (h), (j), and (k), respectively.

Mayor authorized to issue rules: Section 104 of D.C. Law 12-40 provided that the Mayor may promulgate rules necessary for the implementation of this title.

Audit of triennial assessment process: Section 103 of D.C. Law 12-40 provided that at the end of the first triennial assessment cycle, an audit of the assessment process shall be conducted by an outside firm, under the auspices of the International Association of Assessing Officers, for the purposes of examining the methodology, procedures, and accuracy of real property assessments under the triennial assessment process. The results of the audit shall be provided to the Council of the District of Columbia.

Review of title I provisions after 3 years: Section 105(a) of title I of D.C. Law 12-40 provided that after 3 years, the Committee on Finance and Revenue shall review the provisions of this title and make recommendations for their continuance, amendment, or termination.

Expiration and review of title I of D.C. Law 12-40: Section 2003 of D.C. Law 14-28 repealed the expiration provision of section 105(b) and the review provision of section 105(a) of D.C. Law 12-40.



## CASE NOTES

**In general.**

Statutory scheme for appealing property tax assessments, which scheme required administrative appeals prior to bringing action in superior court, provided taxpayers an adequate remedy to challenge the reassessment of their property, and thus, exception to Anti-Injunction Act, which Act required court to dismiss a suit seeking declaratory or injunctive relief with respect to a tax assessment, did not apply to taxpayers' class action for tax refund. *District of Columbia v. Craig*, 930 A.2d 946, 2007 D.C. App. LEXIS 458 (2007), writ of certiorari denied by 554 U.S. 905, 128 S. Ct. 2947, 171 L. Ed. 2d 868, 2008 U.S. LEXIS 5003, 76 U.S.L.W. 3654 (2008).

To maintain a refund suit, a taxpayer must

follow the specific, statutorily-prescribed procedures governing such suits. *District of Columbia v. Craig*, 930 A.2d 946, 2007 D.C. App. LEXIS 458 (2007), writ of certiorari denied by 554 U.S. 905, 128 S. Ct. 2947, 171 L. Ed. 2d 868, 2008 U.S. LEXIS 5003, 76 U.S.L.W. 3654 (2008).

Taxpayers' class action challenging property tax assessments was precluded under the Anti-Injunction Act, where most of the members of the class failed to pursue the required administrative remedies before filing suit for tax refund. *District of Columbia v. Craig*, 930 A.2d 946, 2007 D.C. App. LEXIS 458 (2007), writ of certiorari denied by 554 U.S. 905, 128 S. Ct. 2947, 171 L. Ed. 2d 868, 2008 U.S. LEXIS 5003, 76 U.S.L.W. 3654 (2008).

**§ 47-825.01a. Real Property Tax Appeals Commission.**

(a)(1)(A) There is established the Real Property Tax Appeals Commission for the District of Columbia ("Commission") to review real property assessments and classifications and to hear other appeals. The Commission shall have jurisdiction over any appeal timely filed with the Board of Real Property Assessments and Appeals in accordance with the provisions of § 47-825.01(f-1).

(B) The Commission shall be comprised of

- (i) A full-time Chairperson;
- (ii) A full-time Vice Chairperson;
- (iii) Four full-time Commissioners; and
- (iv) Six part-time Commissioners,

(C) The part-time members of the Commission shall be compensated on an hourly basis and shall hear cases of single-family residential property or any noncommercial real property assessed during the administrative review at \$3 million or less (or under the notice of assessment if the administrative review is unavailable); provided, that the Chairperson may assign part-time members to hear cases of other real property assessments.

(D)(i) The Chairperson of the Commission shall be a District of Columbia certified general appraiser with at least 5 years of professional experience.

(ii) The Vice-Chairperson of the Commission shall be an active member of the District of Columbia Bar with at least 5 years of real estate professional experience.

(iii) Full-time Commissioners shall have at least 5 years of professional commercial real estate experience.

(iv) All Commissioners shall be active members of the District of Columbia Bar, District certified general real estate appraisers, certified public accountants, mortgage bankers, licensed District real estate brokers, or persons possessing significant real property experience.

(E) The Commissioners shall not be elected officers of the District government.

(F)(i) The Mayor of the District of Columbia ("Mayor") shall appoint the members of the Commission with the advice and consent of the Council.

(ii) The Mayor shall transmit to the Council, for a 90-day period of review, excluding days of Council recess, nominations to the Commission. If the Council does not approve, by resolution, within the 90-day period a nomination to the Commission, the nomination shall be deemed disapproved.

(G) The Mayor shall not remove a Commissioner except for cause. A Commissioner's unexcused failure to meet annual performance measures in any 2 years within a 3-year period shall be among the grounds constituting cause for removal.

(H)(i) At least 6 months before the expiration of any term, a Commissioner seeking reappointment to a new term shall file a statement with the Mayor and the Chairperson, or the Vice-Chairperson in the case of the Chairperson seeking reappointment, specifying that he or she requests reappointment to a new term ("reappointment statement").

(ii) For a Commissioner who timely files a reappointment statement, the Chairperson shall prepare a record of the Commissioner's tenure with regard to the Commissioner's competency and quality of performance over the period of his or her term of service ("performance record"). The Vice-Chairperson shall prepare the performance record of the Chairperson when he or she is seeking reappointment and has timely filed a reappointment statement in accordance with sub-subparagraph (i) of this subparagraph.

(iii) At a minimum, the performance record shall contain, for the immediate prior term:

(I) All the decisions authored by the Commissioner or to which he or she was a signatory;

(II) Data on how the Commissioner met applicable objective performance measures;

(III) The recommendation of the Chairperson or Vice-Chairperson, whichever is applicable, as to whether the reappointment should be made; and

(IV) Any other information requested by the Mayor.

(iv) The Chairperson or the Vice-Chairperson, whichever is applicable, shall submit the performance record to the Mayor within 60 days of the filing of the reappointment statement.

(v) The Mayor shall consider all information received with regard to reappointment.

(2)(A) A Commissioner shall be prohibited from representing any client or business interest before the Commission for a period of 2 years after the Commissioner's termination or resignation from the Commission.

(B) A Commissioner shall be prohibited from reviewing an appeal involving real property with which the Commissioner has had any financial dealings in the 2-year period prior to the filing date of the appeal. For the purposes of this subsection, the term "financial dealings" shall include the assessment, appraisal, purchase, sale, or rental of the real property in question.

(C) A Commissioner shall not review an appeal for which that Commissioner has a direct or indirect interest.



(3)(A) The term of each Commissioner shall be 4 years, except as provided in subparagraph (B) of this paragraph.

(B) For the initial 12 appointments or reappointments to Commissioners for full terms beginning October 1, 2011:

(i) The first 3 non-leadership Commissioners appointed to the Commission shall be appointed for a term ending April 30, 2013.

(ii) The next 3 non-leadership Commissioners appointed to the Commission shall be appointed for a term ending April 30, 2014.

(iii) The next 2 non-leadership Commissioners and the Vice-Chairperson appointed to the Commission shall be appointed for a term ending April 30, 2015.

(iv) The final 2 non-leadership Commissioners and the Chairperson appointed to the Commission shall be appointed for a term ending April 30, 2018.

(4)(A) A vacancy on the Commission shall be filled in the same manner that the original appointment was made.

(B) Any person appointed to fill a vacancy shall be appointed to serve for the remainder of the term during which the vacancy arose.

(5) Commissioners shall be employees of the District government. The Mayor shall establish a separate salary schedule applicable to Commissioners.

(6) The Commission shall employ staff, including a general counsel, to provide legal advice and such other support as is needed for the efficient operation of the Commission.

(7) The Commission shall establish a program during which all new Commission members receive training in the various aspects of property valuation for all classes of property, and orientation on Commission rules and regulations.

(b)(1) Except as provided in subsection (c) of this section, a majority of the Commission shall constitute a quorum for transacting business.

(2) Pursuant to subchapter I of Chapter 5 of Title 2 [§ 2-501 et seq.], the Commission shall issue rules of organization and procedure which shall be consistent with all applicable provisions of subchapter I of Chapter 5 of Title 2 [§ 2-501 et seq.].

(3) The Commission shall meet at least 4 times annually for administrative matters. All administrative meetings of the Commission shall be open to the public. The Commission shall publish notification of the meetings in the District of Columbia Register and shall make copies of minutes of the meetings available to the public.

(c)(1)(A) Each appeal to the Commission shall be reviewed by a panel of the Commission. The number of Commissioners on a panel shall be as follows:

(i) In the case of a single-family residential property or any noncommercial real property assessed during the administrative review at \$3 million or less (or under the notice of assessment if the administrative review is unavailable), a one-Commissioner panel shall be convened; provided, that a panel described in sub-subparagraph (ii) of this subparagraph shall be convened at the direction of the Chairperson or if both the appellant and the Office of Tax and Revenue ("OTR") request the a multi-Commissioner panel.

(ii) In the case of all other real property, a 3-Commissioner panel shall be convened; provided, that a 2-Commissioner panel may be convened if the appellant and OTR agree.

(B) A stipulation signed by OTR and the owner that resolves a matter may be approved by the signature of one Commissioner.

(2) No 3 Commissioners shall serve exclusively together on the same panel for more than one tax year.

(3) Each decision of the Commission shall be in writing and shall contain a detailed statement of the basis for the decision. Each decision shall be signed by the deciding Commissioner. In the case of an appeal heard by a multi-Commissioner panel, each Commissioner who participated in the hearing and deliberations shall sign the opinion and indicate whether he or she agreed with or dissented from, the decision of the panel.

(4) The Commission shall publish on the Internet with respect to each decision of the Commission:

(A) The assessment and classification resulting from the administrative review;

(B) The assessment and classification determined by the Commission; and

(C) The names of the Commissioners of the Commission who were on the panel that established the assessment or classification, or both, indicating whether the participating Commissioner agreed with, or dissented from, the decision of the panel.

(5) Every decision filed by the Commission shall be maintained by the Commission for 3 years and shall be made available for examination and photocopying by any requestor. All costs associated with photocopying shall be paid for by the requestor. This subsection shall not affect the confidentiality of valuation records as provided in § 47-821(d)(2), tax returns, and information that is personal in nature.

(6) All meetings of the Commission, including hearings of individual appeals, shall be open to the public. All information presented at Commission meetings, including individual appeals, shall be available for public inspection. Notwithstanding the foregoing, valuation records protected under § 47-821(d), tax returns, and information that is personal in nature shall not be available for public inspection and discussion of same during a hearing shall be *in camera*.

(7) By appealing to the Commission, a real property owner consents to OTR disclosing during the course of the owner's appeal any tax information that the owner has provided to OTR under this title or included on the owner's Real Property Recordation and Transfer Tax Form filed with OTR pursuant to Chapter 11 of Title 22.

(8) Any appraisal submitted to the Commission by the owner or OTR shall be subject to full disclosure to the Commission, the owner, and OTR. Information provided under this subparagraph shall be subject to the nondisclosure of valuation records provided in § 47-821(d)(2).

(d) A petition to the Office of Tax and Revenue for an administrative review shall proceed as follows:



(1) On or before April 1 of the immediately preceding tax year, an owner may petition OTR for an administrative review of the real property's assessed value or its classification that shall be in effect for the tax year at issue.

(2) If real property is transferred to a new owner during the tax year immediately preceding the tax year for which the proposed assessed value or classification shall be in effect, the new owner may petition OTR for an administrative review of the assessed value or classification that shall be in effect for the tax year by the later of April 1 of the immediately preceding tax year or within 45 days after the date of transfer to the new owner that occurred during the immediately preceding tax year; provided, that no other petition or appeal of the proposed assessed value or classification for the tax year shall have been filed for the real property.

(3) OTR may change a proposed assessed value or classification in accordance with a final determination made on a petition for administrative review.

(4) A final determination by OTR shall pertain to the value or classification of the real property for the tax year at issue.

(5) A petition for an administrative review under this paragraph shall:

(A) Be filed on a form and in the manner prescribed by OTR; and

(B) Contain all documents as required under this section and as prescribed by OTR.

(e) An appeal to the Commission shall proceed as follows:

(1)(A) If an owner is aggrieved by a notice of final determination on a petition for administrative review, the owner may file an appeal from the proposed assessed value or classification with the Commission within 45 days after the date of the notice of final determination. An owner may supplement the original filing if new information has become available that was not available prior to the filing deadline by delivering a copy of the supplemental filing to the Commission and OTR no later than 20 days after the filing of the appeal; provided, that a hearing shall not occur within 20 days from the date of the delivery of the supplemental filing. All notices of final determination shall be accompanied by the assessor's worksheets indicating the rationale for the determination, if the assessment is raised or lowered. If a notice of final determination on a petition for an administrative review brought under subsection (1) and (2) of this section and the assessor's worksheets relating thereto, if required, are not mailed to the owner by August 1 preceding the tax year, the owner may appeal the proposed assessed value or classification to the Commission by September 30 preceding the tax year; provided, that if a delayed notice is issued under § 47-824(b)(4), September 1 and October 15 of the tax year shall be substituted for August 1 and September 30, respectively.

(B) If an owner is aggrieved by a notice of final determination issued pursuant to § 42-3131.15 or a notice of final determination issued under § 47-813(d-1)(4A), the owner may file an appeal on the determination of vacancy with the Commission within 45 days after the date of the notice. Notwithstanding any other provision of this section, the Commission shall render a decision on the appeal within 120 days after the filing.

(2)(A) An appeal under paragraph (1)(A) of this subsection or paragraph (4)(A) of this subsection shall:

(i) Be filed on a form and in the manner prescribed by the Commission; and

(ii) Contain all documents (including OTR's final decision and response given to the appellant), as prescribed by the Commission; and

(iii) Include income and expense statements as required to be filed under § 47-821(d)(1) for the 2 preceding calendar years.

(B) All information in support of the petition shall be submitted by the appellant at the time the appeal is filed, except that the appellant shall have the right to rebut any new evidence submitted by OTR in response to the appeal (and any supplement thereto) that was not previously raised during the administrative review and the Commission may request additional information it considers necessary.

(C)(i) At least 30 days prior to the hearing or rescheduled hearing before the Commission, the Commission shall provide to OTR a copy of the appeal with all documents and attachments related thereto and the date that the hearing is scheduled.

(ii)(I) Notwithstanding any other provision in this subparagraph:

(aa) If the assessor's worksheet is mailed with the notice of final determination to the owner, the worksheet shall be deemed to be the response of OTR to the owner's appeal before the Commission, as the response may be amended by subsequent filings as provided in this subparagraph, and the response shall not be required to be filed by OTR with the Commission before the hearing.

(bb) If the assessor's worksheet is not mailed with the notice of final determination because the proposed assessment was not changed as a result of the notice of final determination, a response from OTR shall not be required.

(cc) If OTR's response is amended, OTR shall provide a copy of its amended response to the owner's appeal to the Commission as provided in sub-subparagraphs (ii) and (iii) of this subparagraph.

(II) OTR shall make any response filed with the Commission available to the real property owner for inspection and copying at least 7 days before the scheduled hearing. Any charges for copying by OTR shall be at cost.

(III) For cases involving single-family residential property, at least 10 days prior to the scheduled hearing, OTR shall send electronically or mail a copy of the response that was filed with the Commission to the owner.

(IV) Except as provided in sub-sub-subparagraph (i) of this subparagraph, any evidence not submitted in accordance with this subparagraph shall be excluded by the Commission at hearing.

(iii) If a hearing is rescheduled, response due dates shall be readjusted as if the date of the rescheduled hearing were the date of the original hearing.

(3) The Commission or a Commissioner may compel the attendance of witnesses, administer oaths or affirmations, and examine appellants and other witnesses under oath.

(4)(A) The Commission, by decision, may change:

(i) A proposed assessed value;



(ii) A proposed classification;  
(iii) A decision on homestead, senior, or disabled benefit eligibility;  
and

(iv) Any other determination on a matter for which jurisdiction is specifically conferred by law.

(B) A decision by the Commission shall pertain to the assessed value of, classification of, or any matter (for which jurisdiction is conferred) concerning the real property for the tax year at issue.

(C)(i) If an assessment of a real property is under appeal to the Commission, or is otherwise brought before the Commission, under this section, the Commission shall determine the estimated market value of the real property for the applicable tax year.

(ii) The Commission shall raise or lower the estimated market value of any real property that it finds to be more than 5% above or below the estimated market value for any assessment appealed by an owner.

(iii) The assessment shall be presumed correct. The owner shall demonstrate by a preponderance of the evidence that the assessment of the real property does not represent the estimated market value or that the classification of the real property is erroneous.

(iv) The Commission shall not order an increase of the assessed value of any parcel of real property above its estimated market value or a decrease of the assessed value of any parcel of real property below its estimated market value solely on the basis of average ratio studies comparing sales and assessments, unless the studies are the primary basis for the assessment or reassessment of the concerned real property in question.

(5) The Commission shall notify OTR of any decision on an appeal from a proposed assessed value, classification, or determination of vacancy at the same time that the Commission notifies the owner.

(6)(A) OTR or an owner aggrieved by a proposed assessed value or classification may seek a rehearing before the Commission. The Commission, in its discretion, may rehear or reject a request to rehear an appeal.

(B) Within 15 days after the date on which the Commission transmits its decision, the owner or OTR, by written notice to the Chairperson, may request the rehearing. If a rehearing is granted, the other party shall have 10 days after date of mailing or electronically transmitting notice in which to prepare and file with the rehearing panel a response to the hearing.

(C) In the case of a rehearing, a 3-Commissioner panel shall be convened consisting of the Chairperson, Vice-Chairperson, and a Commissioner who was a member of the panel that heard the underlying appeal.

(D) A rehearing shall be granted as a matter of right if the decision of an appeal changes the proposed assessed value of a real property, excluding single-family residential property, by at least 20% or \$10 million, whichever is less.

(E) No decision of the Commission shall be changed upon rehearing except upon a finding of plain error. The burden of proof shall be upon the moving party to demonstrate plain error.

(F) The rehearing shall not be a hearing de novo and shall be considered a continuation of the original hearing before the Commission.

(7)(A) By February 1 of each year, all pending real property appeals cases filed in the prior calendar year shall be decided by the Commission.

(B) Subject to subparagraph (A) of this paragraph, after the completion of the hearing, the Commission shall have 30 days to decide a residential real property case and 80 days to decide a commercial case real property case.

(f)(1) OTR may make an administrative or clerical correction to an assessment only for the current or immediately succeeding tax year; provided, that:

(A) The notice of correction under this paragraph shall be mailed by certified or registered mail to the owner's address of record; and

(B) Within 45 days from the date of the notice, the owner may petition for an administrative review of the notice and appeal from a final determination thereof in the same manner and to the same extent as if the petition were filed under subsection (e) of this section.

(2) Notwithstanding § 47-820(a-1), OTR may change an assessment or real property classification which is the result of a substantial error that would cause an injustice to the owner for the immediately succeeding, current, or preceding 3 tax years.

(g) Except as provided in § 47-830, an owner aggrieved by a proposed assessed value or classification may appeal the proposed assessed value or classification to the Superior Court of the District of Columbia in the same manner and to the same extent as provided in §§ 47-3303 and 47-3304 by September 30 of the tax year; provided, that the owner shall have in good faith first appealed the assessed value or classification to the Commission immediately preceding the appeal to the Superior Court of the District of Columbia.

(h) If an owner's second-half installment payment is placed on extended billing under § 47-811(b) to a date after September 15 of the tax year, the owner shall have 15 days after the payment due date to appeal to the Superior Court of the District of Columbia the proposed assessed value or classification in the same manner, to the same extent, and subject to the same limitations and requirements as provided in subsection (g) of this section (except the filing deadline shall be as provided in this subsection).

(i) Notwithstanding the definition of owner and taxpayer in § 47-802(5) to include persons other than the owner of record of real property, the owner of record of real property shall retain the right to appeal an assessment under this section.

(j)(1) By October 1 of the next succeeding tax year, the Commission shall present to the Council and to the Mayor an annual report on its operations for the tax year. The report shall include the following:

(A) The total number of appeals heard and decided by the Commission;

(B) A breakdown of appeals decided by class of real property as those classes are defined in § 47-813, stating the following for each class:

(i) The number of assessments sustained;

(ii) The number of assessments increased;

(iii) The number of assessments decreased;

(iv) The percentage of the increased, decreased, and sustained assessments;

(v) The gain and loss in assessed value;



(vi) The revenue gain to the District as a result of the increases by the tax year;

(vii) The revenue loss to the District as a result of decreases by the tax year; and

(viii) The net revenue impact on the District as a result of the Commission's decisions;

(C) An analysis of the Commission's operations for the year, including the identification of any problems and recommendations for dealing with the problems; and

(D) A listing, for each Commissioner, of the total number of appeals heard and decided.

(2) The District of Columbia Auditor shall perform a management audit of the activities of the Commission at least once every 3 fiscal years (or sooner as considered appropriate by the Auditor) or upon request of a Councilmember, and report the findings to the Council.

(Apr. 8, 2011, D.C. Law 18-363, § 2(b)(3), 58 DCR 963; July 13, 2012, D.C. Law 19-155, § 2(a), 59 DCR 5590.)

**Effect of amendments.** — D.C. Law 19-155, in subsec. (a)(1)(A), inserted the following sentence: "The Commission shall have jurisdiction over any appeal timely filed with the Board of Real Property Assessments and Appeals in accordance with the provisions of § 47-825.01(f-1)."; rewrote subsec. (a)(1)(B)(iv); in subsec. (a)(1)(G), inserted the following sentence: "A Commissioner's unexcused failure to meet annual performance measures in any 2 years within a 3-year period shall be among the grounds constituting cause for removal."; added subsec. (a)(1)(H); rewrote subsec. (c)(7); in subsec. (e)(1)(A), substituted "20 days after the filing of the appeal; provided, that a hearing shall not occur within 20 days from the date of the delivery of the supplemental filing" for "10 days after the filing of the appeal"; rewrote subsec. (e)(1)(B); and, in subsec. (g), substituted "tax year; provided, that the owner shall have in good faith first appealed the assessed value or classification to the Commission immediately preceding the appeal to the Superior Court of the District of Columbia." for "tax year."

**Temporary Amendment of Section.** — Section 2 of D.C. Law 19-56, in subsec. (a)(1)(A), added the following sentence at the end: "The Commission shall have jurisdiction over any appeal timely filed with the Board of Real Property Assessments and Appeals in accordance with § 47-825.01(f-1)."; and in subsec. (a)(1)(B)(iv), substituted "Eight" for "Six".

Section 4(b) of D.C. Law 19-56 provided that the act shall expire after 225 days of its having taken effect.

Section 5 of D.C. Law 19-75 rewrote subsec. (b)(1) to read as follows:

"(b)(1)(A) Except as provided in subparagraph (B) of this paragraph and subsection (c) of this section, a majority of the Commission shall constitute a quorum for transacting business.

"(B) Upon Council approval and appointment by the Mayor of a full-time Chairperson and a full-time Vice Chairperson pursuant to subsection (a)(1)(F) of this section, the Chairperson and the Vice-Chairperson shall constitute a quorum for transacting business; provided, that upon Council approval and appointment by the Mayor of additional members of the Commission, a majority of those appointed shall constitute a quorum until all members of the Commission have been appointed."

Section 8(b) of D.C. Law 19-75 provided that the act shall expire after 225 days of its having taken effect.

**Temporary Addition of Section.** — Section 2 of D.C. Law 19-75 added a section to D.C. Law 18-363 to read as follows:

"Sec. 3a. Applicability; transition.

"(a) Sections 2 and 3 shall apply upon Council approval and appointment by the Mayor of a full-time Chairperson and a full-time Vice Chairperson to the Real Property Tax Appeals Commission for the District of Columbia.

"(b) Notwithstanding subsection (a) of this section, the Mayor shall appoint the members of the Real Property Tax Appeals Commission for the District of Columbia with the advice and consent of the Council in accordance with the provisions of section 2(b)(3)."

Section 8(b) of D.C. Law 19-75 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) addition of section 3a of D.C. Law

18-363, see § 2 of Real Property Tax Appeals Commission Establishment Clarification Emergency Amendment Act of 2011 (D.C. Act 19-169, October 11, 2011, 58 DCR 8905).

For temporary (90 day) amendment of section, see § 5 of Real Property Tax Appeals Commission Establishment Clarification Emergency Amendment Act of 2011 (D.C. Act 19-169, October 11, 2011, 58 DCR 8905).

For temporary (90 day) amendment of section, see § 2 of Real Property Tax Appeals Commission Establishment Congressional Review Emergency Act of 2011 (D.C. Act 19-217, October 31, 2011, 58 DCR 9351).

For temporary (90 day) addition of section 3a of D.C. Law 18-363, see § 2 of Real Property Tax Appeals Commission Establishment Clarification Congressional Review Emergency Amendment Act of 2011 (D.C. Act 19-256, December 21, 2011, 58 DCR 11219).

For temporary (90 day) amendment of section, see § 5 of Real Property Tax Appeals Commission Establishment Clarification Congressional Review Emergency Amendment Act of 2011 (D.C. Act 19-256, December 21, 2011, 58 DCR 11219).

For temporary (90 day) repeal of D.C. Law 19-9, see § 6 of Real Property Tax Appeals Commission Establishment Clarification Congressional Review Emergency Amendment Act of 2011 (D.C. Act 19-256, December 21, 2011, 58 DCR 11219).

**Legislative history of Law 18-363.** — For history of Law 18-363, see notes under § 47-412.01.

**Legislative history of Law 19-155.** — Law 19-155, the “Real Property Tax Appeals Commission Establishment Act of 2012”, was introduced in Council and assigned Bill No. 19-271, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on April 17, 2012, and May 1, 2012, respectively. Signed by the Mayor on May 15, 2012, it was assigned Act No. 19-362 and transmitted to both Houses of Congress for its review. D.C. Law 19-155 became effective on July 13, 2012.

**Editor’s notes.** — Section 4 of D.C. Law 19-155 added a section to D.C. Law 18-363 to read as follows:

“Sec. 3a. Applicability; transition.

“(a) Sections 2 and 3 shall apply upon Council approval and appointment by the Mayor of a full-time Chairperson and a full-time Vice Chairperson to the Real Property Tax Appeals Commission for the District of Columbia.

“(b) Notwithstanding subsection (a) of this section, the Mayor shall appoint the members of the Real Property Tax Appeals Commission for the District of Columbia with the advice and consent of the Council in accordance with the provisions of section 2(b)(3)).”.

Section 5 of D.C. Law 19-155 provided: “Sec. 5. Applicability. This act shall apply upon Council approval and appointment by the Mayor of a full-time Chairperson and a full-time Vice Chairperson to the Real Property Tax Appeals Commission for the District of Columbia.”

## § 47-825.02. Public Advocate for Assessments and Taxation.

(a) There is hereby established an Office of Public Advocate for Assessments and Taxation. The Public Advocate for Assessments and Taxation shall be appointed by the Mayor, with the advice and consent of the Council. The term of appointment shall be for five years. The Public Advocate shall not perform any service or work outside of this public office and shall appoint staff and additional personnel as may be provided for in the appropriated budget for the District.

(b) The Public Advocate for Assessments and Taxation shall have the following powers and duties:

(1) To appear before or to intervene in proceedings before the Real Property Tax Appeals Commission for the District of Columbia, the Superior Court, and the Court of Appeals on behalf of the interest of the public and the taxpayers in general of the District, and to demand a hearing pursuant to section 426a(d) or (j) [§ 47-825.01, repealed], or under any other provision of law on any matter or proceeding in which the Public Advocate may deem the public interest involved, including, but not limited to, proceedings with respect to:



(A) The valuation, assessment, or classification of any property; or  
 (B) The appeal of an assessment of property or the tax pertaining thereto;

(2) To make such investigations and employ such consultants or experts as the public advocate may deem necessary to the duties imposed herein;

(3) To have full access to all government records necessary in carrying out the duties imposed by this section;

(4) To advise residents and taxpayers of the District generally of their rights under tax law;

(5) To prepare and provide to the Council, the Mayor, and the public an annual report setting forth the activities of the office; and

(6) To exercise and perform such other functions and duties consistent with the purposes and provisions of this section which are deemed necessary or appropriate to protect the interest of the public of the District.

(May 22, 1997, D.C. Law 11-269, § 2(c), 43 DCR 6868; Apr. 8, 2011, D.C. Law 18-363, § 3(g)(5), 58 DCR 963.)

**Prior Codifications.** — 1981 Ed., § 47-825.2.

**Effect of amendments.** — D.C. Law 18-363, in subsec. (b)(1), substituted “Real Property Tax Appeals Commission for the District of Columbia” for “Board of Real Property Assessments and Appeals”.

**Temporary Amendment of Section.** — Temporary addition of § 3a to D.C. Law 11-269: See Historical and Statutory Notes following § 47-825.01.

**Emergency legislation.** — Section 2 of the Assessments Initiative Procedures Emergency Amendment Act of 1997 (D.C. Act 12-68, May 1, 1997, 44 DCR 2864) provided for the application of D.C. Law 11-269.

For temporary addition of § 3a of D.C. Law 11-269 regarding the application of that law, see § 2 of the Assessments Initiative Procedures Emergency Amendment Act of 1997 (D.C. Act 12-68, May 1, 1997, 44 DCR 2864) and § 2 of the Assessments Initiative Procedures Congressional Review Emergency Amendment Act of 1997 (D.C. Act 12-134, August 1, 1997, 44 DCR 4664).

For temporary addition of § 47-825.03, see § 2 of the Real Property Tax Reassessment Legislative Review Emergency Amendment Act of 1998 (D.C. Act 12-293, February 27, 1998, 45 DCR 1758).

For temporary amendment of § 3a to D.C. Law 11-269 regarding the application of that

law, as added by D.C. Law 12-11, 44 DCR 3614, see § 3 of the Real Property Tax Rates and Assessment Initiative Emergency Amendment Act of 1998 (D.C. Act 12-299, March 4, 1998, 45 DCR 1780).

For temporary addition of § 47-825.03, see § 2 of the Real Property Tax Reassessment and Cold Weather Eviction Emergency Amendment Act of 1999 (D.C. Act 13-18, February 17, 1999, 46 DCR 2354).

**Legislative history of Law 11-269.** — For legislative history of D.C. Law 11-269, see Historical and Statutory Notes following § 47-825.01.

**Legislative history of Law 18-363.** — For history of Law 18-363, see notes under § 47-412.01.

**Severability of Law** — Severability of D.C. Law 11-269: Section 3 of D.C. Law 11-269 provided: “If any provision of this act or the application thereof to any person or circumstances is held invalid, the invalidity does not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.”

**Editor’s notes.** — Application of Law 11-269: Section 3a of D.C. Law 11-269, as added by § 3 of D.C. Law 12-122, provided that the provisions of the act shall apply to appeals from real property assessments for real property tax year 2000 and for each real property tax year thereafter.

### § 47-825.03. Applicability of certain provisions; hearings open to public.

(a) Notwithstanding any other law, § 47-825.01(d)(5) [repealed], the second sentence of § 47-825.01(e) [repealed], and § 47-825.02 shall not apply until

the Chief Financial Officer has determined that the implementation of those provisions will have no negative fiscal impact on the Office of Tax and Revenue, the Real Property Tax Appeals Commission for the District of Columbia, or on real property tax revenues collected by the District.

(b) Except as provided in § 47-821(d)(2), hearings shall be open to the public.

(c) This section shall expire upon notice to the Council by the Chief Financial Officer that he or she has made the determination required by subsection (a) of this section.

(Apr. 20, 1999, D.C. Law 12-236, § 2(a), 46 DCR 660; Apr. 8, 2011, D.C. Law 18-363, § 3(g)(6), 58 DCR 963.)

**Prior Codifications.** — 1981 Ed., § 47-825.3.

**Effect of amendments.** — D.C. Law 18-363, in subsec. (a), substituted “Real Property Tax Appeals Commission for the District of Columbia” for “Board of Real Property Assessments and Appeals”.

**Temporary Addition of Section.** — For temporary (225 day) addition, see § 2 of Real Property Tax Reassessment Temporary Amendment Act of 1998 (D.C. Law 12-125, June 10, 1998, law notification 45 DCR 5883).

For temporary (225 day) addition, see § 2(a) of Real Property Tax Assessment and Cold Weather Eviction Temporary Amendment Act of 1999 (D.C. Law 13-1, April 20, 1999, law notification 46 DCR 5301).

**Legislative history of Law 12-236.** — Law 12-236, the “Drug Prevention and Children at Risk Tax Check-Off, Tax Initiative Delay, and Attorney License Fee Act of 1998,” was introduced in Council and assigned Bill No. 12-706, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 10, 1998, and December 1, 1998, respectively. Signed by the Mayor on December 21, 1998, it was assigned Act No. 12-561 and transmitted to both Houses of Congress for its review. D.C. Law 12-236 became effective on April 20, 1999.

**Legislative history of Law 18-363.** — For history of Law 18-363, see notes under § 47-412.01.

## § 47-826. Assessments — Power to administer oaths or affirmations and summon witnesses; witness fees; examination of witnesses. [Repealed].

Repealed.

(Sept. 3, 1974, 88 Stat. 1056, Pub. L. 93-407, title IV, § 427; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 4, 2003, D.C. Law 14-282, § 11(i), 50 DCR 896.)

**Prior Codifications.** — 1981 Ed., § 47-826. 1973 Ed., § 47-647.

**Temporary Repeal of Section.** — Temporary Repeal of Section For temporary (225 day) repeal of section, see § 12(j) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) repeal of section, see § 12(j) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Emergency legislation.** — For temporary (90 day) repeal of section, see § 12(j) of Tax

Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) repeal of section, see § 12(j) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) repeal of section, see § 12(j) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 42-204.



**References in text.** — The Board, referred to in this section, is the Board of Equalization and Review.

### § 47-827. Class actions.

Within 1 year after September 3, 1974, the Superior Court of the District of Columbia shall establish a method which it deems appropriate by which class action cases regarding any matter relating to real and personal property taxes may be brought before the Superior Court.

(Sept. 3, 1974, 88 Stat. 1057, Pub. L. 93-407, title IV, § 428; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-821.

**Prior Codifications.** — 1981 Ed., § 47-827. 1973 Ed., § 47-648.

### § 47-828. Violations of assessment provisions.

Any person who shall refuse or knowingly neglect to perform any duty enjoined on him by law, or who shall consent to or connive at any evasion of the provision of the first section of the Act of March 3, 1881 (§ 47-211), or § 13 of the Act of August 14, 1894 (§ 47-602), or any other provision of this chapter shall, for each offense, be removed from office and fined not more than \$10,000, or imprisoned for no longer than 1 year, or both, in the discretion of the court.

(Sept. 3, 1974, 88 Stat. 1057, Pub. L. 93-407, title IV, § 429; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-821.

**Prior Codifications.** — 1981 Ed., § 47-828. 1973 Ed., § 47-649.

**References in text.** — “The 1st section of the Act of March 3, 1881 (§ 47-211),” referred to

in this section, appears identical with the original. However, the citation to § 47-211 appears to be erroneous, as that section is based on § 14 of 28 Stat. 285, approved August 14, 1894, rather than the 1881 Act.

### § 47-829. Taxable real estate; new structures and additions or improvements of old structures; complaints and appeals.

(a)(1) In addition to the annual assessment of real property made pursuant to § 47-820(b), the Mayor, pursuant to subsections (b) through (f) of this section, shall conduct a supplemental assessment of real property between January 1 and June 30, to become effective October 1, and payable March 31, and again between July 1 and December 31, to become effective April 1, and payable September 15, of each calendar year.

(2) The Mayor shall mail the notice of a proposed supplemental assessment to the owner:

(A) On or before August 1 of the year in which the supplemental assessment was conducted for supplemental assessments conducted between January 1 and June 30; and

(B) On or before February 1 of the following year for supplemental assessments conducted between July 1 and December 31.

(b) The Mayor shall assess the estimated market value of all real property, by lot and square, that was:

(1) Erroneously omitted from the previous assessment roll or tax list since the last annual or supplemental assessment; or

(2) Not listed on the previous assessment roll or tax list since the last annual or supplemental assessment.

(c) The Mayor shall assess the estimated market value of all real property, by lot and square, that has a change in estimated market value as a result of damage or destruction of an improvement since the last annual or supplemental assessment.

(d) The Mayor shall assess the estimated market value of all real property, by lot and square, if since the last annual or supplemental assessment:

(1)(A) A new improvement has been constructed;

(B) An addition to or renovation of an existing improvement has been constructed;

(C) There is construction in progress and at least 65% of the total estimated construction has occurred; or

(D) A conversion has occurred; and

(2) There is a \$100,000 or more change in the estimated market value of the real property.

(e) The Mayor shall assess the estimated market value of all real property, by lot and square, if since the last annual or supplemental assessment:

(1)(A) A new improvement has been constructed;

(B) An addition to or renovation of an existing improvement has been constructed;

(C) There is construction in progress; or

(D) A conversion has occurred; and

(2) A certificate of occupancy has been issued or, in the case of a single-family dwelling, a building permit has been made final.

(e-1) Class 1 Property, as defined under § 47-813(c-8)(2)(A), shall not be subject to subsection (e) of this section.

(f) After each supplemental assessment, the Mayor shall:

(1) Revise the assessment roll and tax list to reflect the current estimated market value of real property for which a supplemental assessment was conducted; and

(2) Notify the affected owner in writing of any change in assessment and right of appeal, as provided in § 47-830. The notice shall be mailed by certified or registered mail to the owner's address of record.

(Aug. 17, 1937, 50 Stat. 693, ch. 690, title IX, § 5(b); May 16, 1938, 52 Stat. 372, ch. 223, § 8; July 26, 1939, 53 Stat. 1109, ch. 367, title IV, § 5(b); July 10, 1952, 66 Stat. 545, ch. 649, § 3(c); July 29, 1970, 84 Stat. 580, Pub. L. 91-358, title I, § 161(a)(5); June 22, 1983, D.C. Law 5-14, § 702, 30 DCR 2632; Mar. 6, 1991, D.C. Law 8-207, § 2(a), 37 DCR 8453; Sept. 30, 1993, D.C. Law 10-25, § 104, 40 DCR 5489; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR



1575; June 9, 2001, D.C. Law 13-305, § 502(s), 48 DCR 334; Dec. 7, 2004, D.C. Law 15-205, § 1162(b), 51 DCR 8441; Sept. 19, 2006, D.C. Law 16-159, § 2(c), 53 DCR 5385; Oct. 15, 2010, D.C. Law 18-235, § 2, 57 DCR 7158.)

**Cross references.** — Financial institutions, applicable real property tax provisions, see § 47-2514.

Superior Court Tax Division, appeals of real estate assessments, see § 47-3305.

**Section references.** — This section is referred to in §§ 47-820, 47-830, and 47-864.

**Prior Codifications.** — 1981 Ed., § 47-829. 1973 Ed., § 47-710.

**Effect of amendments.** — D.C. Law 13-305 rewrote subs. (e)(2) and (f)(2).

Prior to amendment, subsec. (e)(2) read:

"A certificate of occupancy for the real property has been issued."

Prior to amendment, subsec. (f)(2) read:

"Notify the affected real property owner in writing of any change in assessment and right of appeal, as provided in 47-830."

D.C. Law 15-205 added subsec. (e-1)

D.C. Law 16-159, in subsec. (a), designated the existing text as par. (1), and added par. (2).

D.C. Law 18-235 rewrote subsec. (e-1), which had read as follows: "(e-1) Class 1 Property, as defined under § 47-813(c-6), shall not be subject to subsection (e) of this section if the increase in the estimated market value of the real property as a result of the renovation, addition, or construction is less than 10%."

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 104 of Omnibus Budget Support Temporary Act of 1993 (D.C. Law 10-11, August 6, 1993, law notification 40 DCR 6213).

For temporary (225 day) amendment of section, see § 2(p) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

For temporary (225 day) amendment of section, see § 2 of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 2 of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

For temporary (225 day) amendment of section, see § 2(b) of Owner-Occupant Residential Tax Credit and Homestead Deductions Temporary Act of 2004 (D.C. Law 15-159, May 18, 2004, law notification 51 DCR 5699).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2 of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 2 of Tax Clarity and Related Amend-

ments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 2 of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

For temporary (90 day) amendment of section, see § 2(b) of Owner-Occupant Residential Tax Credit and Homestead Deduction Clarification Emergency Act of 2004 (D.C. Act 15-374, February 24, 2004, 51 DCR 2618).

For temporary (90 day) amendment of section, see § 1162(b) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) amendment of section, see § 1162(b) of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

For temporary (90 day) repeal of § 3 of D.C. Law 18-235, see § 714 of Fiscal Year 2011 Supplemental Budget Support Emergency Act of 2010 (D.C. Act 18-694, January 19, 2011, 58 DCR 662).

**Legislative history of Law 5-14.** — For legislative history of D.C. Law 5-14, see Historical and Statutory Notes following § 47-815.

**Legislative history of Law 8-207.** — Law 8-207, the "Real Property Improvements and Construction Tax Amendment Act of 1990," was introduced in Council and assigned Bill No. 8-170, which was referred to the Committee on Government Operations. The Bill was adopted on first and second readings on November 13, 1990, and December 4, 1990, respectively. Signed by the Mayor on December 14, 1990, it was assigned Act No. 8-282 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 10-25.** — For legislative history of D.C. Law 10-25, see Historical and Statutory Notes following § 47-802.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-308.01.

**Legislative history of Law 16-159.** — For Law 16-159, see notes following § 47-824.

**Legislative history of Law 18-235.** — Law 18-235, the "Renovation Penalty Abatement Act of 2010", was introduced in Council and assigned Bill No. 18-518, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 15, 2010, and June 29, 2010, respectively. Signed by the Mayor on July 19, 2010, it

was assigned Act No. 18-483 and transmitted to both Houses of Congress for its review. D.C. Law 18-235 became effective on October 15, 2010.

**Delegation of Authority.** — Delegation of authority under Law 5-14, see Mayor's Order 83-190, July 25, 1983.

Delegation of authority under D.C. Law 8-207, the Real Property Improvements and New Construction Tax Amendment Act of 1990, see Mayor's Order 93-66, May 25, 1993.

**Editor's notes.** — Mayor authorized to issue rules: Section 1102 of D.C. Law 5-14 provided that the Mayor shall issue rules necessary to carry out the provisions of the act.

Section 4 of D.C. Law 8-207 provided that the Mayor shall, pursuant to subchapter I of Chapter 5 of Title 2, issue proposed rules to implement the provisions of this act. The proposed rules shall be submitted to the Council for a

60-day period of review, excluding Saturdays, Sundays, legal holidays, and days of Council recess. If the Council does not approve or disapprove the proposed rules, in whole or in part, by resolution within this 60-day review period, the proposed rules shall be deemed approved. Nothing in this section shall affect any requirements imposed upon the Mayor by subchapter I of Chapter 5 of Title 2.

Section 509 of D.C. Law 13-305 requires that section 502(s) of D.C. Law 13-305, amending this section, shall apply to tax periods beginning after June 30, 2001.

Section 3 of D.C. Law 18-235 provided that this act shall apply upon the inclusion of its fiscal effect in an approved budget and financial plan.

Section 714 of D.C. Law 18-370 repealed section 3 of D.C. Law 18-235.

## CASE NOTES

### ANALYSIS

Administrative review.

In general.

Judicial review.

Summary judgment.

Supplemental assessments.

### Administrative review.

Timely administrative appeal of supplemental assessment for office building did not open for reconsideration assessment of adjoining lots which were used jointly with the office building property, as a parking lot, where taxpayers who owned the parking lot parcels, two of whom also owned the office building, failed to take timely administrative appeals from increases in the annual property tax assessments for the parking lot property. D.C. Code 1981, §§ 47-801 to 47-863. *Customers Parking, Inc. v. District of Columbia*, 562 A.2d 651, 1989 D.C. App. LEXIS 156 (1989).

### In general.

Statute requiring Department of Finance and Revenue (DFR) to reassess property that is liable to taxation but "has been so assessed that the assessment made was void" permitted DFR to assess improvements to property on assumption that certificates of occupancy had been issued after assessment was reduced to zero because improvements were not 65% completed; statute permitted reassessment following failure to meet statutory precondition to assessment, and did not apply only to assessments that were "void" on procedural grounds. D.C. Code 1981, §§ 47-829, 47-831. *District of Columbia v. Casino Assocs.*, 684 A.2d 322, 1996 D.C. App. LEXIS 220 (1996).

### Judicial review.

Proceeding before tax division of superior

court, appealing second-half real property tax assessment of property in question, was de novo; thus, superior court, in absence of any formal rules defining terms "addition" and "new buildings," was free to supply its own definitional standards in determining whether property was subject only to supplemental annual assessment or supplemental second-half assessment. D.C. Code 1981, §§ 47-829, 47-830, 47-3303. *District of Columbia v. Square 254 Ltd. Partnership*, 516 A.2d 907, 1986 D.C. App. LEXIS 465 (1986).

### Summary judgment.

Evidence presented factual dispute as to whether hotel, which was assertedly added to theater, was an "addition" to the theater, which would be subject only to supplemental annual assessment, or was a "new building," which would be subject to supplemental second-half assessment, precluding summary judgment in favor of taxpayer, in proceeding challenging second-half real property tax assessment of the property. D.C. Code 1981, §§ 47-829, 47-830. *District of Columbia v. Square 254 Ltd. Partnership*, 516 A.2d 907, 1986 D.C. App. LEXIS 465 (1986).

### Supplemental assessments.

Supplemental assessment upon substantial completion of new construction on land originally assessed to include only land value could not include increased land value as result of the improvements; the supplemental assessment was limited to increase in value of improvements. *District of Columbia v. Place*, 892 A.2d 1108, 2006 D.C. App. LEXIS 32 (2006).

Supplemental assessments are limited only to improvements on the land, and not changes in the value of the land itself; a reassessment of



the entire real property—the improvements and the land—may only be performed during the scheduled general assessment. District of

Columbia v. Place, 892 A.2d 1108, 2006 D.C. App. LEXIS 32 (2006).

### § 47-830. New buildings; complaints and appeals.

(a) Any owner aggrieved by any supplemental assessment, made in accordance with § 47-829, may appeal from the assessment to the Real Property Tax Appeals Commission for the District of Columbia by:

(1) September 30 for a supplemental assessment conducted between January 1 and June 30; and

(2) March 31 for a supplemental assessment conducted between July 1 and December 31.

(b) The Real Property Tax Appeals Commission for the District of Columbia shall hear an appeal of the supplemental assessment if the appeal is filed by the prescribed due date and shall make a final determination of the appeal no later than October 15 of the same calendar year for a supplemental assessment conducted between January 1 and June 30, and by April 15 of the next calendar year for a supplemental assessment conducted between July 1 and December 31.

(c)(1) Any owner aggrieved by any supplemental assessment, made in accordance with § 47-829, may appeal from the assessment to the Superior Court of the District of Columbia within 6 months after April 15 following the year in which the assessment is made, in the same manner and to the same extent as provided in §§ 47-3303 and 47-3304 for a supplemental assessment conducted between January 1 and June 30, if:

(A) An appeal of the supplemental assessment has been filed with the Real Property Tax Appeals Commission for the District of Columbia by September 30; or

(B) The Mayor failed to provide notice to the affected owner, as required by § 47-829(f)(2), by September 1 of the year in which the supplemental assessment was conducted; and

(2) Any owner aggrieved by any supplemental assessment, made in accordance with § 47-829, may appeal from the assessment to the Superior Court of the District of Columbia within 6 months after the April 15th following the year in which the assessment is made, in the same manner and to the same extent as provided in §§ 47-3303 and 47-3304 for a supplemental assessment conducted between July 1 and December 31, if:

(A) An appeal of the supplemental assessment has been filed with the Real Property Tax Appeals Commission for the District of Columbia by March 31; or

(B) The Mayor failed to provide notice to the affected owner, as required by § 47-829(f)(2), by the March 1st following the year in which the supplemental assessment was conducted.

(c-1) Beginning with the real property assessments for Tax Year 1999 and for each tax year thereafter:

(1)(A) An owner may petition for an administrative review of a supplemental assessment conducted between January 1 and June 30 in accordance

with § 47-829 on or before October 1 following the date of the notice of supplemental assessment.

(B) An owner may petition for an administrative review of a supplemental assessment conducted between July 1 and December 31 in accordance with § 47-829, or on or before April 1 following the date of the notice of supplemental assessment.

(C) The petition for an administrative review shall be made in writing on a form and in a manner as the Mayor may prescribe.

(2)(A) Any owner aggrieved by a final determination made on an administrative review may appeal the supplemental assessment to the Real Property Tax Appeals Commission for the District of Columbia within 45 days from the date of a notice of a final determination on an administrative review. The Real Property Tax Appeals Commission for the District of Columbia shall hear an appeal of the supplemental assessment only if a request for an administrative review was timely filed with the Mayor. All notices of final determination shall be accompanied by assessor's worksheets indicating the rationale for the determination, if the assessment is raised or lowered.

(B) No administrative review shall be required before an owner may appeal to the Real Property Tax Appeals Commission for the District of Columbia a supplemental assessment conducted between January 1 and June 30 if:

(i) The Mayor fails to notify the owner of the supplemental assessment on or before September 1; or

(ii) The Mayor fails to notify the owner of a final determination on an administrative review of the supplemental assessment on or before December 30 following the date of the notice of supplemental assessment.

(C) Under the circumstance described in subparagraph (B) of this paragraph, the owner may appeal the supplemental assessment to the Real Property Tax Appeals Commission for the District of Columbia on or before February 1 without first petitioning for an administrative review of the supplemental assessment.

(D) No administrative review shall be required before an owner may appeal to the Real Property Tax Appeals Commission for the District of Columbia a supplemental assessment conducted between July 1 and December 31 if:

(i) The Mayor fails to provide notice of the supplemental assessment on or before March 1; or

(ii) The Mayor fails to notify the owner of a final determination on an administrative review of the supplemental assessment on or before June 30.

(E) Under the circumstances described in subparagraph (D) of this paragraph, the owner may appeal the supplemental assessment to the Real Property Tax Appeals Commission for the District of Columbia on or before August 1 without first petitioning for an administrative review of the supplemental assessment.

(3)(A) An owner may appeal from either a supplemental assessment conducted between January 1 and June 30 or a supplemental assessment conducted between July 1 and December 31 on or before December 31st of the



year following the year in which the supplemental assessment was conducted in the same manner and to the same extent as provided in §§ 47-3303 and 47-3304. An appeal from the supplemental assessment filed with the Real Property Tax Appeals Commission for the District of Columbia shall be a prerequisite to filing an appeal with the Superior Court of the District of Columbia; provided, that written notice of the supplemental assessment was given to the taxpayer before December 2 for a supplemental assessment conducted between January 1 and June 30 and before May 31 of the following year for a supplemental assessment conducted between July 1 and December 31.

(B) Repealed.

(d) For the purposes of § 47-829 and this section, the term:

(1) "Improvement" means a building or other relatively permanent structure or development located on or attached to real property.

(2) "Construction in progress" means the on-site work done in the building or the alteration of an improvement, whether a new improvement, an addition, or a renovation, including, but not limited to, the assembly and installation of components and equipment.

(3) "Conversion" means a change in use of real property or a change in the type of ownership of residential real property that results in a change of residential use. A conversion includes, but is not limited to:

(A) A change in use from a residential, commercial, office, hotel or motel, industrial, or other type of real property to a residential, commercial, office, hotel or motel, industrial or other type of real property, regardless of whether the change in use results in a reclassification of the real property; or

(B) A change in the type of ownership of residential real property that results in a change in residential use of the real property from a rental housing accommodation, a condominium, or cooperative housing association to a rental housing accommodation, a condominium, or a cooperative housing association.

(4) For the purposes of paragraph (3) of this subsection, the term "housing accommodation" has the same meaning as that term has in § 42-3501.03(14); and the terms "condominium" and "cooperative housing association" have the same meaning as the terms have in § 47-813(d).

(e) Notwithstanding the definition of owner and taxpayer in § 47-802(5) to include persons other than the owner of record of real property, the owner of record of real property shall retain the right to appeal an assessment under this section.

(Aug. 17, 1937, 50 Stat. 693, ch. 690, title IX, § 5(c); May 16, 1938, 52 Stat. 372, ch. 223, § 8; July 26, 1939, 53 Stat. 1109, ch. 367, title IV, § 5(b); July 10, 1952, 66 Stat. 545, ch. 649, § 3(c); July 29, 1970, 84 Stat. 580, Pub. L. 91-358, title I, § 161(a)(5); June 22, 1983, D.C. Law 5-14, § 703, 30 DCR 2632; Mar. 6, 1991, D.C. Law 8-207, § 2(b), 37 DCR 8453; Mar. 17, 1993, D.C. Law 9-241, § 6, 40 DCR 629; June 14, 1994, D.C. Law 10-127, § 4(a), 41 DCR 2050; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Oct. 23, 1997, D.C. Law 12-40, § 101(f), 44 DCR 4859; June 9, 2001, D.C. Law 13-305, § 502(t), 48 DCR 334; Oct. 19, 2002, D.C. Law 14-213, § 33(g), 49 DCR 8140; June 5, 2003,

D.C. Law 14-307, § 1303(d), 49 DCR 11664; Apr. 13, 2005, D.C. Law 15-354, § 73(b)(4), 52 DCR 2638; Sept. 19, 2006, D.C. Law 16-159, § 2(d), 53 DCR 5385; Apr. 8, 2011, D.C. Law 18-363, § 3(g)(7), 58 DCR

**Cross references.** — Superior Court Tax Division, appeals of real estate assessments, see § 47-3305.

**Section references.** — This section is referred to in §§ 47-820, 47-825.01, 47-829 and 47-2514.

**Prior Codifications.** — 1981 Ed., § 47-830. 1973 Ed., § 47-711.

**Effect of amendments.** — D.C. Law 13-305 substituted “owner” for “real property owner” and “any real property owner” wherever they appear; in subsec. (c-1), inserted the last sentence in par. (2)(A) and rewrote par. (3); and added subsec. (d).

Prior to amendment, subsec. (c-1)(3) read:

“(3)(A) A real property owner may appeal from a supplemental assessment conducted between January 1 and June 30 in accordance with subsection (b) of this section to the Superior Court of the District of Columbia within 6 months from October 15 following the year in which the assessment is made in the same manner and to the same extent as provided in 47-3303 and 47-3304. An appeal from the supplemental assessment filed with the Board shall be a prerequisite to filing an appeal with the Superior Court of the District of Columbia.

“(B) A real property owner may appeal from the supplemental assessment conducted between July 1 and December 31 in accordance with subsection (b) of this section to the Superior Court of the District of Columbia within 6 months from April 15 following the year in which the assessment is made in the same manner and to the same extent as provided in 47-3303 and 47-3304. An appeal from the supplemental assessment filed with the Board shall be a prerequisite to filing an appeal with the Superior Court of the District of Columbia.”

D.C. Law 14-213 validated previously made technical corrections.

D.C. Law 14-307, in subsec. (c-1)(2)(A), substituted “rationale for determination, if the assessment is raised or lowered” for “any determination”.

D.C. Law 15-354, in subsec. (c-1)(2)(A), validated a previously made technical correction.

D.C. Law 16-159, in subsec. (c-1)(2)(A), substituted “45” for “30”.

D.C. Law 18-363, in subsecs. (a), (b), (c)(1)(A), and (c)(2)(A), substituted “Real Property Tax Appeals Commission for the District of Columbia” for “Board of Real Property Assessments and Appeals”; in subsec. (c-1)(2)(A), substituted “Real Property Tax Appeals Commission for the District of Columbia” for “Board of Real Property Assessments and Appeals (‘Board’)”; and,

in subsecs. (c-1)(2), (B), (C), (D), and (E), and (3), substituted “Real Property Tax Appeals Commission for the District of Columbia” for “Board”.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2(q) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

For temporary (225 day) amendment of section, see § 2(g) of Real Property Tax Assessment Transition Temporary Act of 2001 (D.C. Law 14-23, September 6, 2001, law notification 48 DCR 9093).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2(s) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see §§ 2(g), 3 of Real Property Tax Assessment Transition Emergency Act of 2001 (D.C. Act 14-44, April 18, 2001, 48 DCR 3844).

For temporary (90 day) amendment of section, see §§ 2(g), 3 of Real Property Tax Assessment Transition Congressional Review Emergency Act of 2001 (D.C. Act 14-116, August 3, 2001, 48 DCR 7659).

For temporary (90 day) amendment of section, see §§ 1303(d) and 1304 of Fiscal Year 2003 Budget Support Amendment Emergency Act of 2002 (D.C. Act 14-544, December 4, 2002, 49 DCR 11700).

For temporary (90 day) amendment of section, see §§ 1303(d) and 1304 of the Fiscal Year 2003 Budget Support Amendment Congressional Review Emergency Act of 2003 (D.C. Act 15-27, February 24, 2003, 50 DCR 2151).

For temporary (90 day) amendment of section, see §§ 1303(d) and 1304 of Fiscal Year 2003 Budget Support Amendment Second Congressional Review Emergency Act of 2003 (D.C. Act 15-103, June 20, 2003, 50 DCR 5499).

**Legislative history of Law 5-14.** — For legislative history of D.C. Law 5-14, see Historical and Statutory Notes following § 47-815.

**Legislative history of Law 8-207.** — For legislative history of D.C. Law 8-207, see Historical and Statutory Notes following § 47-829.

**Legislative history of Law 9-241.** — For legislative history of D.C. Law 9-241, see Historical and Statutory Notes following § 47-825.01.

**Legislative history of Law 10-127.** — For legislative history of D.C. Law 10-127, see Historical and Statutory Notes following § 47-812.



**Legislative history of Law 12-40.** — For legislative history of D.C. Law 12-40, see Historical and Statutory Notes following § 47-802.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Legislative history of Law 14-213.** — For Law 14-213, see notes following § 47-820.

**Legislative history of Law 14-307.** — For Law 14-307, see notes following § 47-368.01.

**Legislative history of Law 15-354.** — For Law 15-354, see notes following § 47-340.03.

**Legislative history of Law 16-159.** — For Law 16-159, see notes following § 47-824.

**Legislative history of Law 18-363.** — For history of Law 18-363, see notes under § 47-412.01.

**Delegation of Authority.** — Delegation of authority under Law 5-14, see Mayor's Order 83-190, July 25, 1983.

Delegation of authority under D.C. Law 8-207, the Real Property Improvements and New Construction Tax Amendment Act of 1990, see Mayor's Order 93-66, May 25, 1993.

**Editor's notes.** — Application of Law 14-307: Section 1304 of D.C. Law 14-307 provided: "Sections 1302 and 1303 shall apply as of October 1, 2002."

Mayor authorized to issue rules: Section 1102 of D.C. Law 5-14 provided that the Mayor shall issue rules necessary to carry out the provisions of the act.

Section 4 of D.C. Law 8-207 provided that the Mayor shall, pursuant to subchapter I of Chapter 5 of Title 2, issue proposed rules to implement the provisions of this act. The proposed rules shall be submitted to the Council for a 60-day period of review, excluding Saturdays, Sundays, legal holidays, and days of Council recess. If the Council does not approve or dis-

approve the proposed rules, in whole or in part, by resolution within this 60-day review period, the proposed rules shall be deemed approved. Nothing in this section shall affect any requirements imposed upon the Mayor by subchapter I of Chapter 5 of Title 2.

Expiration of title I of D.C. Law 12-40: Section 105(b) of D.C. Law 12-40 provided that title I of that act shall expire 4 years from its effective date. D.C. Law 12-40 became effective on October 23, 1997.

Mayor authorized to issue rules: Section 104 of D.C. Law 12-40 provided that the Mayor may promulgate rules necessary for the implementation of this title.

Audit of triennial assessment process: Section 103 of D.C. Law 12-40 provided that at the end of the first triennial assessment cycle, an audit of the assessment process shall be conducted by an outside firm, under the auspices of the International Association of Assessing Officers, for the purposes of examining the methodology, procedures, and accuracy of real property assessments under the triennial assessment process. The results of the audit shall be provided to the Council of the District of Columbia.

Review of title I provisions after 3 years: Section 105(a) of title I of D.C. Law 12-40 provided that after 3 years, the Committee on Finance and Revenue shall review the provisions of this title and make recommendations for their continuance, amendment, or termination.

Expiration and review of title I of D.C. Law 12-40: Section 2003 of D.C. Law 14-28 repealed the expiration provision of section 105(b) and the review provision of section 105(a) of D.C. Law 12-40.

## CASE NOTES

### ANALYSIS

In general.

Judicial review.

Summary judgment.

### In general.

Cost replacement approach to value should not be applied to the taxation of the land and improvements that constitute new office buildings. *Square 345 Assoc. Partnership v. District of Columbia*, 123 WLR 1697 (Super. Ct. 1995).

### Judicial review.

Proceeding before tax division of superior court, appealing second-half real property tax assessment of property in question, was de novo; thus, superior court, in absence of any formal rules defining terms "addition" and "new buildings," was free to supply its own definitional standards in determining whether prop-

erty was subject only to supplemental annual assessment or supplemental second-half assessment. D.C. Code 1981, §§ 47-829, 47-830, 47-3303. *District of Columbia v. Square 254 Ltd. Partnership*, 516 A.2d 907, 1986 D.C. App. LEXIS 465 (1986).

### Summary judgment.

Evidence presented factual dispute as to whether hotel, which was assertedly added to theater, was an "addition" to the theater, which would be subject only to supplemental annual assessment, or was a "new building," which would be subject to supplemental second-half assessment, precluding summary judgment in favor of taxpayer, in proceeding challenging second-half real property tax assessment of the property. D.C. Code 1981, §§ 47-829, 47-830. *District of Columbia v. Square 254 Ltd. Partnership*, 516 A.2d 907, 1986 D.C. App. LEXIS 465 (1986).

# § 47-831. Omitted properties; void assessments; notice and appeal.

(a) If the Department of Finance and Revenue shall learn that any property liable to taxation has been omitted from the assessment for any previous year or years, or has been so assessed that the assessment made was void, it shall be a duty at once to reassess this property for each and every year for which it has escaped assessment and taxation, and report the same, through the Assessor, to the Collector of Taxes who shall at once proceed to collect the taxes so in arrears as other taxes are collected; provided, that no property which has escaped assessment and taxation shall be liable under this section for a period of more than 3 years prior to such assessment, except in the case of property involved in litigation. In addition to the duties of the Assessor hereinbefore provided, it shall be the duty of the Assessor upon reassessment as herein provided to notify the owner by writing of the fact of such reassessment. An owner aggrieved by a reassessment made under this section may petition for administrative review, and appeal from a final determination thereof, in the same manner and to the same extent as a new owner under § 47-825.01(f-1).

(b) This section shall not apply when the owner has a duty to notify the Collector of Taxes of the cessation of eligibility for a deduction, classification, exemption, or deferral.

(Aug. 17, 1937, 50 Stat. 693, ch. 690, title IX, § 5(d); May 16, 1938, 52 Stat. 372, ch. 223, § 8; July 29, 1970, 84 Stat. 580, Pub. L. 91-358, title I, § 161(a)(5); enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 502(u), 48 DCR 334; Apr. 4, 2003, D.C. Law 14-282, § 11(j), 50 DCR 896; Oct. 20, 2005, D.C. Law 16-33, § 1143(b), 52 DCR 7503; July 13, 2012, D.C. Law 19-155, § 2(b), 59 DCR 5590.)

**Cross references.** — Superior Court Tax Division, appeals of real estate assessments, see § 47-3305.

**Section references.** — This section is referred to in §§ 47-811.02, 47-1005.01, and 47-2514.

**Prior Codifications.** — 1981 Ed., § 47-831. 1973 Ed., § 47-712.

**Effect of amendments.** — D.C. Law 13-305 substituted “owner” for “real property owner” and “any real property owner” wherever they appear; and rewrote the last sentence which had read: “Any person aggrieved by any reassessment made in pursuance of this section may, within 6 months after notice of said reassessment, appeal from said reassessment in the same manner and to the same extent as provided in 47-3303 and 47-3304.”

D.C. Law 14-282 designated the existing text as subsection (a); and added subsec. (b).

D.C. Law 16-33, in subsec. (b), substituted “exemption, or deferral” for “or exemption”.

D.C. Law 19-155, in subsec. (a), substituted “, within 45 days from the date of the notice, petition for an administrative review of the

reassessment and appeal from a final determination thereof, to the same extent as if the appeal were filed under 47-825.01a(d)(2)” for “petition for administrative review, and appeal from a final determination thereof, in the same manner and to the same extent as a new owner under § 47-825.01(f-1)”.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2(r) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

For temporary (225 day) amendment of section, see § 12(k) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(k) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2(t) of Real Property Tax Clarity and Litter Control



Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see § 12(k) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 12(k) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(k) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

For temporary (90 day) amendment of section, see §§ 1143(b), 1144 of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-405.

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Legislative history of Law 19-155.** — For history of Law 19-155, see notes under § 47-825.01a.

**References in text.** — Pursuant to the Office of the Chief Financial Officer's "Notice of Public Interest" published in the April 18, 1997, issue of the District of Columbia Register (44 DCR 2345) the Office of Tax and Revenue assumed all of the duties and functions previously performed by the Department of Finance and Revenue, as set forth in Commissioner's Order 69-96, dated March 7, 1969. This action was made effective January 22, 1997, *nunc pro tunc*.

**Editor's notes.** — Office of Assessor abolished: See Historical and Statutory Notes following § 47-413.

Office of Collector of Taxes abolished: See Historical and Statutory Notes following § 47-401.

Section 1144 of D.C. Law 16-33 provided that §§ 1142 and 1143 shall apply to tax periods beginning after September 30, 2005.

## CASE NOTES

### ANALYSIS

#### Improvements.

##### In general.

##### Notice requirement.

##### Persons making assessment.

##### Review.

### Improvements.

Doctrine of administrative *res judicata* did not bar Department of Finance and Revenue (DFR) from reassessing improvements to property on basis that certificate of occupancy had been issued after initial assessment was reduced to zero because improvements were not 65% completed; if occupancy permits had been issued, Board of Equalization and Review's reason for holding assessments void did not affect liability of improvements to taxation. D.C. Code 1981, §§ 47-831, 87-801(1); Restatement (Second) of Judgments § 83(3), (4)(b). *District of Columbia v. Casino Assocs.*, 684 A.2d 322, 1996 D.C. App. LEXIS 220 (1996).

Statute requiring Department of Finance and Revenue (DFR) to reassess property that is liable to taxation but "has been so assessed that the assessment made was void" permitted DFR to assess improvements to property on assumption that certificates of occupancy had been issued after assessment was reduced to zero because improvements were not 65% completed; statute permitted reassessment following failure to meet statutory precondition to assessment, and did not apply only to assessments that were "void" on procedural grounds.

D.C. Code 1981, §§ 47-829, 47-831. *District of Columbia v. Casino Assocs.*, 684 A.2d 322, 1996 D.C. App. LEXIS 220 (1996).

In determining whether statute governing "omitted properties" can be used to correct property's assessment valuation, inquiry focuses on whether taxpayer's improvements constituted "property liable to taxation" which was "omitted from the assessment" so that it "escaped assessment and taxation"; ultimately, this inquiry involves whether property, under guise of having been omitted, was simply reassessed based on new judgment as to its valuation. D.C. Code 1981, § 47-831. 1111 19th Street Associates v. District of Columbia, 521 A.2d 260, 1987 D.C. App. LEXIS 288 (1987), writ of certiorari denied by 484 U.S. 927, 108 S. Ct. 291, 98 L. Ed. 2d 251, 1987 U.S. LEXIS 4583, 56 U.S.L.W. 3320 (1987).

Back assessment of "omitted improvement" was not change in tax assessor's judgment; Department of Finance Revenue's assessment of property by itself does not preclude subsequent assessment under "omitted property" statute; disagreeing with *Davidson v. Franklin Avenue Investment Co.*, 129 Minn. 87, 151 N.W. 537; *Leyh v. Glass*, 508 P.2d 259 (Okla.). D.C. Code 1981, § 47-831. 1111 19th Street Associates v. District of Columbia, 521 A.2d 260, 1987 D.C. App. LEXIS 288 (1987), writ of certiorari denied by 484 U.S. 927, 108 S. Ct. 291, 98 L. Ed. 2d 251, 1987 U.S. LEXIS 4583, 56 U.S.L.W. 3320 (1987).

Government's clear omission by mistake to assess office building and leaving of appropri-

ate box for building assessment blank on notation to taxpayer was error made, not judgment reached, so that improvements to real property were within reach of "omitted property" statute. D.C. Code 1981, § 47-831. 1111 19th Street Associates v. District of Columbia, 521 A.2d 260, 1987 D.C. App. LEXIS 288 (1987), writ of certiorari denied by 484 U.S. 927, 108 S. Ct. 291, 98 L. Ed. 2d 251, 1987 U.S. LEXIS 4583, 56 U.S.L.W. 3320 (1987).

Where taxpayer accepted and paid an assessment which clearly reflected that tax was assessed only on value of land and not on value of improvements being constructed, omitted property assessments for improvements for previous tax years were validly imposed even though District could and should have assessed the improvements earlier. 1111 19th St. Assocs. v. District of Columbia, 112 WLR 1317 (Super. Ct. 1984).

#### **In general.**

In proceeding under District of Columbia statutes for assessment of omitted personalty for taxation, assessment must be made during the current fiscal year, as against contention that statute of limitations could not be a bar because the District was discharging a governmental function. D.C. Code 1929, T. 20, § 769. Tumulty v. District of Columbia, 102 F.2d 254, 1939 U.S. App. LEXIS 3828 (1939).

A reassessment of personalty for taxation for prior years cannot be made in absence of statutory provision. Tumulty v. District of Columbia, 102 F.2d 254, 1939 U.S. App. LEXIS 3828 (1939).

Statute requiring Department of Finance and Revenue (DFR) to reassess property that is liable to taxation and has either been omitted from assessment previously or has been so assessed that the assessment was made void requires that property that is liable to, but has escaped, taxation during previous three years to be back assessed regardless of mistake by DFR in failing to recognize basis for taxation. D.C. Code 1981, § 47-831. District of Columbia v. Casino Assocs., 684 A.2d 322, 1996 D.C. App. LEXIS 220 (1996).

#### **Notice requirement.**

Under District of Columbia statutes governing assessment of taxes upon omitted personalty, owner must be given notice and opportunity to be heard. D.C. Code 1929, T. 20, § 769.

Tumulty v. District of Columbia, 102 F.2d 254, 1939 U.S. App. LEXIS 3828 (1939).

#### **Persons making assessment.**

Where Board of Assistant Assessors took no action whatever toward making a retroactive assessment, but District Commissioners simply decided that property in question should have been taxed and presumably directed Assessor to fix valuations, to compute taxes and to prepare and send tax bills, with result that determination of taxability was made by Commissioners instead of by Board of Assistant Assessors, which alone was authorized to make it, and determination of valuation was made by Assessor instead of by board, which alone is authorized to make it, action of Commissioners and Assessor in assessing the property was wholly unauthorized and void. D.C. Code 1951 § 47-712. Trustees of St. Paul Methodist Episcopal Church South v. District of Columbia, 212 F.2d 244, 1954 U.S. App. LEXIS 3355 (C.A.D.C. 1954).

The Commissioners of the District of Columbia have no function with respect to statutory procedure prescribed for retroactive assessment of omitted property, and the only officials who have a duty in that process are members of Board of Assistant Assessors, who make the retroactive assessment, and Assessor, who notifies taxpayer of assessment by sending him a tax bill. D.C. Code 1951, § 47-712. Trustees of St. Paul Methodist Episcopal Church South v. District of Columbia, 212 F.2d 244, 1954 U.S. App. LEXIS 3355 (C.A.D.C. 1954).

An assessment of omitted personalty for taxation was not invalid merely because original entry of the omitted property in field book was made by a single inspector or assessor, where entry was reviewed and ratified by the board. D.C. Code 1929, T. 20, §§ 753, 769. Tumulty v. District of Columbia, 102 F.2d 254, 1939 U.S. App. LEXIS 3828 (1939).

#### **Review.**

Assessment of omitted property by board of assistant assessors is not required to be submitted to or to be approved by Board of Equalization and Review or Commissioners of District, and is not subject to administrative review except in the Tax Court. D.C. Code 1951, § 47-712. Trustees of St. Paul Methodist Episcopal Church South v. District of Columbia, 212 F.2d 244, 1954 U.S. App. LEXIS 3355 (C.A.D.C. 1954).

## **§ 47-832. Subdivisions made during January, February, March, April, May, or June.**

(a) Whenever a subdivision of any lot or parcel of land in the District of Columbia, or any portion of any such lot or parcel, is made during the months of July, August, September, October, November, or December, the general tax



due and payable upon such lot or parcel of land for prior years and for the first half of the then current fiscal year shall then be paid, and all water main and sewer assessments and special assessments of any kind thereon shall then become due and payable, and be paid before such subdivision shall be admitted to record in the Office of the Surveyor of the District of Columbia; and the general tax thereon for the last half of the then current fiscal year shall be due and payable in the following May.

(b) Whenever such subdivision is made during the months of January, February, March, April, May, or June, the total general tax assessed against the original lot or parcel of land for prior years and for the then current fiscal year, and all water main and sewer assessments and special assessments of any kind thereon, shall become due and payable and be paid before such subdivision is admitted to record in the Office of the Surveyor of the District of Columbia.

(c) For tax year 1994 and each tax year thereafter, whenever a subdivision of any lot or parcel of land in the District of Columbia, or any portion of any such lot or parcel, is made during the months of October, November, December, January, February, or March, the general tax due and payable upon such lot or parcel of land for prior years and for the first half of the then current tax year shall be paid, and all water main and sewer assessments and special assessments of any kind assessed thereon shall become due and payable, and be paid before such subdivision shall be admitted to record in the Office of the Surveyor of the District of Columbia; and the general tax levied thereon for the last half of the current tax year shall be due and payable in the following September.

(d) For tax year 1994 and each tax year thereafter, whenever a subdivision is made during the months of April, May, June, July, August, or September, the total general tax assessed against the original lot or parcel of land for prior years and for the current tax year, and all water main and sewer assessments and special assessments of any kind assessed thereon, shall become due and payable and be paid before such subdivision shall be admitted to record in the Office of the Surveyor of the District of Columbia.

(Mar. 1, 1921, 41 Stat. 1196, ch. 95, § 2; Sept. 30, 1993, D.C. Law 10-25, § 105, 40 DCR 5489; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in §§ 47-834 and 47-2514.

**Prior Codifications.** — 1981 Ed., § 47-832. 1973 Ed., § 47-714.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section,

see § 105 of Omnibus Budget Support Temporary Act of 1993 (D.C. Law 10-11, August 6, 1993, law notification 40 DCR 6213).

**Legislative history of Law 10-25.** — For legislative history of D.C. Law 10-25, see Historical and Statutory Notes following § 47-802.

## § 47-833. Unsubdivided tracts.

Whenever application is made in writing to the Assessor of the District of Columbia by the owner of any tract of land in said District not subdivided into lots and of record as a subdivision in the Office of the Surveyor of said District, for the redistribution of any general or special taxes or assessments then levied or due thereon, or whenever such application is made by the owner of any parcel of such tract for such redistribution, any such general or special taxes or

assessments levied or due against the entire tract of which such parcel is a part shall be redistributed so that the owner of any such parcel may pay the proportion of such entire taxes or assessments equitably chargeable thereon.

(Mar. 1, 1921, 41 Stat. 1196, ch. 95, § 3; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in §§ 47-834 and 47-2514.

**Prior Codifications.** — 1981 Ed., § 47-833. 1973 Ed., § 47-715.

**Editor's notes.** — Office of Assessor abolished: See Historical and Statutory Notes following § 47-413.

## § 47-834. Reassessment or redistribution — Subdivisions; notice and appeal; validity.

(a) Whenever application is made according to law for the reassessment or redistribution of taxes by reason of the subdivision of any tract of land in the District, the department charged with the assessment of real estate in the District is hereby authorized and directed to reassess and redistribute any general or special assessment or tax levied or due and unpaid in accordance with provisions of laws for the assessment and equalizations of valuations of real estate in the District for taxation. The Assessor shall promptly notify the owners of record of the land, the taxes of which shall be reassessed or redistributed. Notices in such case shall be served upon each lot or parcel owner if he or she be a resident of the District and his or her residence known, and if he or she be a nonresident of the District, or his or her residence unknown, such notice shall be served on his or her tenant or agent, as the case may be, and if there be no tenant or agent known to the Mayor of the District of Columbia, then he shall give notice of such assessment by advertisement twice a week for 2 weeks in some newspaper published in said District. The service of such notice, where the owner or his tenant or agent resides in the District, shall be either personal or by leaving the same with some person of suitable age at the residence or place of business of such owner, agent, or tenant; and return of such service, stating the manner thereof, shall be made in writing and filed in the office of the Mayor. Any person aggrieved by such reassessment or redistribution may, within 6 months after notice of such reassessment or redistribution, appeal from such reassessment or redistribution in the same manner and to the same extent as provided in §§ 47-3303 and 47-3304.

(b) Any reassessment or redistribution made under §§ 47-832 to 47-835 shall be as valid and effectual upon the various parts of the property, in the same manner and to the same extent as if the tax or assessment so reassessed or redistributed had been laid originally thereon under the various laws appertaining thereto. No payment or failure to pay a tax or assessment upon any such part shall change or affect the liability of the other parts of such property for any tax or assessment so reassessed or redistributed.

(Mar. 1, 1921, 41 Stat. 1196, ch. 95, § 4; Aug. 17, 1937, 50 Stat. 693, ch. 690, title IX, § 5(e); May 16, 1938, 52 Stat. 374, ch. 223, § 8; July 29, 1970, 84 Stat.



580, Pub. L. 91-358, title I, § 161(a)(5); enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Cross references.** — Superior Court Tax Division, appeals of real estate assessments, see § 47-3305.

**Section references.** — This section is referred to in § 47-2514.

**Prior Codifications.** — 1981 Ed., § 47-834. 1973 Ed., § 47-716.

**Editor's notes.** — Office of Assessor abolished: See Historical and Statutory Notes following § 47-413.

## § 47-835. Reassessment or redistribution — Powers and duties of Department of Finance and Revenue and Assessor.

The Department of Finance and Revenue, charged with the assessment of real estate in the District of Columbia, is hereby authorized and directed to reassess or redistribute any such general or special assessment or tax levied or due and unpaid in accordance with the provisions of laws for the assessment and equalizations of the valuations of real estate in the District of Columbia for taxation, after notice to owners of record of the land to be assessed, with right of appeal within 10 days to the Board of Real Property Assessments and Appeals, prescribed in § 47-825.01a; and the Assessor of said District is hereby authorized and directed to promptly reassess or redistribute any general or special assessment of any kind levied or due and unpaid, as hereinbefore provided.

(Mar. 1, 1921, 41 Stat. 1196, ch. 95, § 5; Mar. 17, 1993, D.C. Law 9-241, § 5, 40 DCR 629; May 16, 1995, D.C. Law 10-255, § 43, 41 DC 5193; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 8, 2011, D.C. Law 18-363, § 3(g)(8), 58 DCR 963.)

**Section references.** — This section is referred to in §§ 47-834 and 47-2514.

**Prior Codifications.** — 1981 Ed., § 47-835. 1973 Ed., § 47-717.

**Effect of amendments.** — D.C. Law 18-363 substituted "Board of Real Property Assessments and Appeals, prescribed by § 47-825.01a" for "Board of Real Property Assessments and Appeals as prescribed by § 47-825.01".

**Legislative history of Law 9-241.** — For legislative history of D.C. Law 9-241, see Historical and Statutory Notes following § 47-825.01.

**Legislative history of Law 10-255.** — For legislative history of D.C. Law 10-255, see Historical and Statutory Notes following § 47-818.01.

**Legislative history of Law 18-363.** — For

history of Law 18-363, see notes under § 47-412.01.

**References in text.** — Pursuant to the Office of the Chief Financial Officer's "Notice of Public Interest" published in the April 18, 1997, issue of the District of Columbia Register (44 DCR 2345) the Office of Tax and Revenue assumed all of the duties and functions previously performed by the Department of Finance and Revenue, as set forth in Commissioner's Order 69-96, dated March 7, 1969. This action was made effective January 22, 1997, nunc pro tunc.

**Editor's notes.** — Office of Assessor abolished: See Historical and Statutory Notes following § 47-413.

Board of Assistant Assessors abolished: See Historical and Statutory Notes following § 47-602.

**§ 47-836. Railroad companies — Washington Terminal, Philadelphia, Baltimore and Washington or Baltimore and Ohio.**

The property owned or occupied by the Washington Terminal Company, or by the Philadelphia, Baltimore and Washington Railroad Company, or by the Baltimore and Ohio Railroad Company under authority of this Act, or otherwise, together with the improvements that may be put thereon, shall be subject to taxation in the District of Columbia in the same manner and to the same extent as other property in the District, and all tracks and sidings shall be taxed as real estate; provided, that no assessment, valuation, or tax shall be made, laid, or levied on the stations, terminals, and lines of railroad located, constructed, or maintained under the authority of this act, in excess of that which would or could be lawfully made, laid, or levied if said stations, terminals, and lines of railroad were located, constructed, and maintained without the use of bridges, tunnels, viaducts, retaining walls, or other structures necessary or properly employed to elevate or to depress the same as required by this Act; it being the true intent and meaning hereof that the lines of railroad and terminals hereby authorized shall be assessed and valued for the purpose of taxation and taxed on the same basis as if the same were not constructed and maintained by means of such bridges, tunnels, viaducts, retaining walls, and other structures; provided, that such portions of the terminal structure or viaduct as may be constructed and used for storage or like commercial purpose shall be subject to taxation in the same manner as other property in the District of Columbia.

(Feb. 28, 1903, 32 Stat. 914, ch. 856, § 6; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-2514.

**Prior Codifications.** — 1981 Ed., § 47-836.  
1973 Ed., § 47-718.

**References in text.** — “This Act,” referred to near the beginning and twice in the first proviso of this section, means 32 Stat. 909, ch. 856, approved February 28, 1903.

**§ 47-837. Railroad companies — Baltimore and Ohio or Washington Terminal.**

The property occupied by the Baltimore and Ohio Railroad Company, or by the Washington Terminal Company, under authority of this act, together with the improvements which may be put thereon, shall be subject to tax by the District of Columbia the same as other property in the District of Columbia; provided, that no assessment, valuation, or tax shall be made or levied on the railroad or terminals located, constructed, or maintained under the authority of this Act, in excess of that which would or could be lawfully made, laid, or levied if said railroad and terminals were so located, constructed, and maintained without the use of bridges, viaducts, retaining walls, and other structures necessary or properly employed to elevate the same as required by this Act, it being the true intent and meaning hereof that the railroad and terminals hereby authorized shall be assessed and valued for purposes of



taxation and taxed on the same basis as if the same were not constructed and maintained by means of such bridges, viaducts, retaining walls, and other structures.

(Feb. 12, 1901, 31 Stat. 779, ch. 354, § 9; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-2514.

**Prior Codifications.** — 1981 Ed., § 47-837. 1973 Ed., § 47-719.

**References in text.** — “This Act,” referred to near the beginning and twice in the proviso in this section, means 31 Stat. 774, ch. 354, approved February 12, 1901.

## § 47-838. Railroad companies — Baltimore and Potomac.

The property occupied by the Baltimore and Potomac Railroad Company under authority of this section, together with the improvements which may be put thereon, shall be subject to tax by the District of Columbia the same as other property in the District of Columbia; provided, that no assessment, valuation, or tax shall be made, laid, or levied on the Baltimore and Potomac Railroad Company on account of any bridges, tunnels, elevated tracks, or subway which shall be located, constructed, or maintained under the authority of this act, and forming part of said railroad, in excess of that which would or could be lawfully made, laid, or levied if said railroad was wholly located and constructed on the surface of the ground; it being the true intent and meaning hereof that any such bridges, tunnels, elevated tracks, or subway forming a part of said railroad shall be assessed and valued for purposes of taxation and taxed on the same basis as any other equal portion of railroad situated within the said District of Columbia not constructed on, in, through, or upon any such bridges, tunnels, elevated tracks, or subway.

(Feb. 12, 1901, 31 Stat. 773, ch. 353, § 14; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-2514.

**Prior Codifications.** — 1981 Ed., § 47-838. 1973 Ed., § 47-720.

**References in text.** — “This Act,” referred to in the proviso in this section, means 31 Stat. 773, ch. 353, approved February 12, 1901.

## § 47-839. Reassessment powers and duties of Mayor.

The Mayor of the District of Columbia is hereby authorized and directed, in all cases where general taxes or assessments for local improvements in the District of Columbia may be quashed, set aside, or declared void by the Superior Court of the District of Columbia, by reason of an imperfect or erroneous description of the lot or parcel of ground against which the same shall have been levied by reason of such tax or assessment not having been authenticated by the proper officer, or of a defective return of service of notice, or for any technical reason other than the right of the public authorities to levy the tax or make the improvement in respect of which the assessment was levied, to reassess the lot or parcel of ground in respect of such general taxes or the improvement mentioned in such defective assessment, with power to

collect the same according to existing laws relating to the collection of assessments and taxes; provided, that in cases where such taxes or assessments shall be quashed or declared void by said Court for the reasons hereinbefore stated, the reassessment herein provided for shall be made within 90 days after the judgment or decree of said Court quashing or setting aside such taxes or assessments and any amount theretofore paid upon an assessment which has been declared void shall be credited the owner upon the reassessment made under the provision of this section.

(Apr. 24, 1896, 29 Stat. 98, ch. 123; June 25, 1936, 49 Stat. 1921, ch. 804; June 25, 1948, 62 Stat. 991, ch. 646, § 32(b); May 24, 1949, 63 Stat. 107, ch. 139, § 127; July 29, 1970, 84 Stat. 573, Pub. L. 91-358, title I, § 155(c)(46); enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-2514.

**Prior Codifications.** — 1981 Ed., § 47-839. 1973 Ed., § 47-721.

## § 47-840. Valuation of federal property — Real estate included; return to Congress.

There shall be a valuation taken of all real estate belonging to the United States in the District, except the public buildings, and the grounds which have been dedicated to the public use as parks and squares, at least once in 5 years, and return thereof shall be made by the Commissioner of the District of Columbia to the President of the Senate and Speaker of the House of Representatives on the first day of the session of Congress held after such valuation shall be taken.

(R.S., D.C., § 138; June 20, 1874, 18 Stat. 116, ch. 337, § 2; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-2514.

**Prior Codifications.** — 1981 Ed., § 47-840. 1973 Ed., § 47-722.

## § 47-841. Valuation of federal property — Secretary of Interior to designate persons and regulations.

All valuations of property belonging to the United States shall be made by such persons as the Secretary of the Interior shall appoint, and under such regulations as he shall prescribe.

(R.S., D.C., § 139; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-2514.

**Prior Codifications.** — 1981 Ed., § 47-841. 1973 Ed., § 47-723.

## § 47-842. Historic property tax relief — Assessment of officially designated buildings.

For certain officially designated historic buildings in the District, the Mayor shall, in addition to assessing at full market value, assess land and improve-



ment on the basis of current use and structures of the buildings, which latter assessment, if it is less than full market value, shall be the basis of tax liability to the District.

(Sept. 3, 1974, 88 Stat. 1058, Pub. L. 93-407, title IV, § 432; Jan. 3, 1975, 88 Stat. 2178, Pub. L. 93-635, § 15(c); enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-842. 1973 Ed., § 47-652.

### CASE NOTES

#### **In general.**

Effect of pending application to expand historic district to taxpayer's property should have been taken into account by tax assessor in determining estimated market value of taxpayer's property; evidence that inclusion of taxpayer's property in proposed area of expansion would reduce its market value was a factor which might have had a bearing on estimated market value of real property which statute required tax assessor to take into account. D.C. Code 1981, §§ 47-802(4), 47-820(a). 1827 M Street, Inc. v. District of Columbia, 537 A.2d 1078, 1988 D.C. App. LEXIS 8 (1988).

Filing of application for expansion of historic district area with an executive branch agency made any information in application "avail-

able" for tax assessment purposes and required that tax assessor consider application to include taxpayer's property in the district in determining market value of property. D.C. Code 1981, §§ 47-802(4), 47-820(a, b). 1827 M Street, Inc. v. District of Columbia, 537 A.2d 1078, 1988 D.C. App. LEXIS 8 (1988).

Anticipated filing of application to expand historic district area to taxpayer's property had no legally cognizable effect on estimated market value of property, for tax assessment purposes, and did not have to be considered by tax assessor. D.C. Code 1981, §§ 47-802(4), 47-820(a, b). 1827 M Street, Inc. v. District of Columbia, 537 A.2d 1078, 1988 D.C. App. LEXIS 8 (1988).

### **§ 47-843. Historic property tax relief — Eligibility.**

To be eligible for historic property tax relief, real property must be a historic building designated by the Joint Committee on Landmarks of the National Capital and, in addition, must be approved by the Mayor under § 47-844.

(Sept. 3, 1974, 88 Stat. 1058, Pub. L. 93-407, title IV, § 433; Jan. 3, 1975, 88 Stat. 2178, Pub. L. 93-635, § 15(d); enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-843. 1973 Ed., § 47-653.

### **§ 47-844. Historic property tax relief — Agreements for maintenance and use of buildings.**

The Council may provide that the owners of historic buildings which have been so designated by the Joint Committee on Landmarks of the National Capital may enter into agreements with the government of the District of Columbia for periods of at least 20 years which will assure the continued maintenance of historic buildings in return for property tax relief. Such a provision shall, as a condition for tax relief, require reasonable assurance that such buildings will be used and properly maintained and such other conditions as the Council finds to be necessary to encourage the preservation of historic buildings. The Council shall also provide for the recovery of back taxes, with

interest, which would have been due and payable in the absence of the exemption, if the conditions for such exemption are not fulfilled.

(Sept. 3, 1974, 88 Stat. 1058, Pub. L. 93-407, title IV, § 434; Jan. 3, 1975, 88 Stat. 2178, Pub. L. 93-635, § 15(e); enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-843.

**Prior Codifications.** — 1981 Ed., § 47-844. 1973 Ed., § 47-654.

## § 47-845. Tax deferral — Amount.

(a) An eligible taxpayer may defer each year any real property tax owed in excess of 110% of his or her immediately preceding year's real property tax liability for Class 1 Property as defined in § 47-813(c)(1). To be eligible for such deferral the taxpayer must:

(1) Have owned for at least 1 year the property for which the deferral is claimed;

(2) Certify that such property is currently occupied by the taxpayer and that such property was occupied by the taxpayer for the 12 month period immediately preceding the application for deferral; and

(3) File a written application for deferral on a form provided by the Mayor. An application for real property tax deferral shall be filed with the Mayor before the last date an installment payment of the real property taxes which are to be deferred is due.

(4) — (7) Repealed.

(b) If a taxpayer submits a timely application for deferral of real property taxes, the amount of real property tax owed in excess of 110% of the prior year's tax bill shall not constitute delinquent taxes nor shall the taxpayer be assessed any interest for the period said application is pending. A taxpayer shall be eligible to start deferring portions of the increased property tax liability immediately after his or her application has been approved by the Mayor. If the application for deferral is disapproved, the taxpayer shall be notified, in writing, of said disapproval and the reasons therefor and granted an additional 30 days to pay said taxes without interest.

(c) Taxes deferred under this section shall bear interest at the rate of 8% per annum.

(d) No further deferrals of real property tax shall be granted to a taxpayer when the aggregate amount of the deferred real property tax plus interest from previous tax years, under this section, § 47-845.02, and § 47-845.03, is equal to or greater than 25% of the assessed value of the real property for the tax year for which the deferral is requested.

(e) Taxes deferred under this section, together with all accumulated interest, shall constitute a preferential lien upon the real property which shall be immediately payable by the seller, transferor, or conveyor whenever the real property is sold, refinanced, transferred, or conveyed in any manner, or whenever additional co-owners (other than spouse or domestic partner) are added to the real property; except, that whenever such real property is sold, transferred, or conveyed to the mother, father, spouse, domestic partner,



children by blood or legally adopted children of the seller, transferor, or conveyor, the deferred taxes lien, if not satisfied, shall remain in full force and effect.

(Sept. 3, 1974, 88 Stat. 1058, Pub. L. 93-407, title IV, § 435; Oct. 13, 1978, D.C. Law 2-119, § 3, 25 DCR 1514; July 24, 1982, D.C. Law 4-128, § 2, 29 DCR 2401; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Oct. 20, 2005, D.C. Law 16-33, § 1143(c), 52 DCR 7503; Sept. 12, 2008, D.C. Law 17-231, § 41(b), 55 DCR 6758.)

**Cross references.** — Real property tax sales, see § 47-1301 et seq.

Tax on residents and nonresidents, property tax credit, “property taxes accrued” defined, see § 47-1806.06.

**Section references.** — This section is referred to in § 47-862.

**Prior Codifications.** — 1981 Ed., § 47-845. 1973 Ed., § 47-655.

**Effect of amendments.** — D.C. Law 16-33, rewrote subsec. (d), which had read as follows: “(d) No further deferrals of real property tax shall be granted to a taxpayer when the aggregate amount of the deferred tax plus interest equals 25% of the assessed value of the property for the tax year for which the deferral is requested.”

D.C. Law 17-231, in subsec. (e), substituted “(other than spouse or domestic partner)” for “(other than spouse)” and “spouse or domestic partner” for “husband, wife”.

**Emergency legislation.** — For temporary (90 day) amendment of section, see §§ 1143(c),

1144 of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

**Legislative history of Law 2-119.** — For legislative history of D.C. Law 2-119, see Historical and Statutory Notes following § 47-824.

**Legislative history of Law 4-128.** — Law 4-128, the “Real Property Tax Deferral Simplification Act of 1982,” was introduced in Council and assigned Bill No. 4-342, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on April 27, 1982 and May 11, 1982, respectively. Signed by the Mayor on June 1, 1982, it was assigned Act No. 4-193 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Legislative history of Law 17-231.** — For Law 17-231, see notes following § 47-802.

**Editor’s notes.** — Section 1144 of D.C. Law 16-33 provided that §§ 1142 and 1143 shall apply to tax periods beginning after September 30, 2005.

## § 47-845.01. Tax deferral — Bureau of National Affairs.

(a) Notwithstanding any other law or regulation, the Mayor may enter into an agreement with The Bureau of National Affairs, Inc. (“BNA”), and BNA Washington, Inc. (“BNAW”), to defer, up to 10 years, any real property tax liability on property located on Lot 109 and Lot 883 of Square 24, popularly known as 1227-1231 25th Street, N.W., Washington, D.C., or any property in the District of Columbia acquired for headquarters and principal operations as an addition to, or substitute for, the 25th Street address during the term of any deferral agreement.

(b) The Mayor is authorized to enter into a written agreement (“Agreement”) with BNA and BNAW on such terms and conditions as the Mayor deems to be in the best interest of the District, the purpose of which is to provide BNA and BNAW with incentives to continue their current occupancy and usage of the real property specified in subsection (a) of this section, or any similar District property substituted therefor, for which real property tax relief is to be granted and in which BNA and BNAW maintain their headquarters and principal operations, including, but not limited to, production, editorial, home office sales, and home office operations, and to expand their business operation

by committing to the lease or purchase of an additional 95,000 square feet of office space in the District of Columbia.

(c) The amount of real property tax owed during an approved deferment period shall not constitute delinquent taxes nor shall BNA and BNAW be assessed any interest or penalty for the deferment period. The deferral shall be prospective and shall apply only to the specified tax years.

(d) Taxes, including penalty and interest thereon, deferred under this section shall constitute a preferential lien upon the real property which shall be payable immediately by the seller, transferor, or conveyor whenever the real property is sold, transferred, or conveyed in any manner, to an entity other than BNAW or a wholly-owned subsidiary of BNA or whenever additional co-owners (other than BNA or a wholly-owned subsidiary of BNA) are added to the real property.

(e) In no event shall the deferral granted pursuant to this section be transferable.

(f) As a condition to the grant of tax benefits under this section, BNA and BNAW shall submit to the Mayor by March 31st of each tax year an affidavit, signed under penalty of perjury. The affidavit shall contain the following averments or documentation of same establishing that after reasonable investigation, the undersigned have determined that BNA and BNAW:

(1) Have met and intend to continue to meet the requirements applicable to the receipt of the real property tax deferral pursuant to the Agreement;

(2) Are in compliance with the terms of all public benefit agreements entered into with the District;

(3) Have recorded as an obligation all unpaid taxes on the subject property in their financial statements;

(4) Are not now receiving and do not now have pending any other application for forgiveness of the obligation to pay any taxes, or for the abatement of real property tax liability imposed by the District, except as provided in § 47-825.01 [repealed] and subsection (i) of this section;

(5) Are not delinquent in the payment of taxes, assessments, fees, or other indebtedness to the District; and

(6) Are not in violation of the laws and regulations of the District.

(g) The Mayor shall make an annual determination of the compliance by BNA and BNAW with the requirements of this section and the Agreement under this section.

(1) If the Mayor determines that BNA and BNAW are in compliance, the Mayor shall issue to BNA and BNAW and to the Director of the Department of Finance and Revenue ("Director") a certificate of compliance.

(2) If the Mayor determines that BNA and BNAW are not in compliance, and after the Mayor gives to BNA and BNAW written notice and a reasonable time to cure the noncompliance or default and BNA and BNAW fail to cure the noncompliance or default, the Mayor shall issue to BNA and BNAW and to the Director a certificate of noncompliance and shall direct that BNA and BNAW be billed for the assessment based on the accumulated tax liability as if the deferment had not been approved. The Mayor may waive, in whole or in part, interest and penalties, when, in his or her judgment, such waiver would be in the public interest.



(h) Any assessment pursuant to a determination of noncompliance shall be due and payable by March 31st following the end of the tax year in which the certificate of noncompliance was issued.

(i)(1) If BNA and BNAW are aggrieved by any assessment of accumulated real property tax, penalty, and interest on real property owned by BNA or BNAW covered by the Agreement and this section, BNA and BNAW may appeal from the assessment in the same manner and to the same extent as provided in § 47-825.01 [repealed] and in §§ 47-3303 and 47-3304; provided, however, that the deferred real property taxes need not first be paid.

(2) At the termination of the 10-year deferral period, BNA and BNAW shall be responsible for the payment of the deferred real property tax notwithstanding the pendency of any administrative or judicial challenge to a real property tax levy or assessment.

(j) The Mayor is authorized to develop the necessary forms and procedures, and to promulgate regulations, necessary to carry out the provisions of this section.

(Sept. 3, 1974, 88 Stat. 1058, Pub. L. 93-407, title IV, § 435a, as added Apr. 9, 1997, D.C. Law 11-250, § 2, 44 DCR 1253; Mar. 24, 1998, D.C. Law 12-81, § 60, 45 DCR 745.)

**Cross references.** — Superior Court Tax Division, appeals of real estate assessments, see § 47-3305.

**Prior Codifications.** — 1981 Ed., § 47-845.1.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2, 4, 5, 6 of BNA Washington, Inc., Real Property Tax Deferral Temporary Amendment Act of 1997 (D.C. Law 12-18, September 12, 1997, law notification 44 DCR 5460).

For temporary (225 day) amendment of section, see § 901 of Fiscal Year 1998 Revised Budget Support Temporary Act of 1997 (D.C. Law 12-59, March 20, 1998, law notification 45 DCR 2094).

For temporary (225 day) repeal of D.C. Law 11-250, §§ 4 and 5, see § 3 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 2 of BNA Washington, Inc., Real Property Tax Deferral Temporary Amendment Act of 1996 (D.C. Law 11-219, April 9, 1997, law notification 44 DCR 2577).

**Emergency legislation.** — For temporary addition of section, see § 2 of the BNA Washington, Inc., Real Property Tax Deferral Emergency Amendment Act of 1996 (D.C. Act 11-365, August 15, 1996, 43 DCR 4588), § 2 of the BNA Washington, Inc., Real Property Tax Deferral Congressional Adjournment Emergency Amendment Act of 1996 (D.C. Act 11-440, De-

cember 5, 1996, 44 DCR 6658), § 2 of the BNA Washington, Inc., Real Property Tax Deferral Congressional Review Emergency Amendment Act of 1996 (D.C. Act 11-475, December 30, 1996, 44 DCR 200), and § 2 of the BNA Washington, Inc., Real Property Tax Deferral Emergency Amendment Act of 1997 (D.C. Act 12-53, March 31, 1997, 44 DCR 2209).

For temporary requirement that the Mayor submit to the Council proposed legislation to establish comprehensive standards for the provision of incentives by the District government to maintain existing employers in the District and to attract new employers, see § 4 of the BNA Washington, Inc., Real Property Tax Deferral Congressional Adjournment Emergency Amendment Act of 1996 (D.C. Act 11-440, December 5, 1996, 44 DCR 6658) and § 4 of the BNA Washington, Inc., Real Property Tax Deferral Emergency Amendment Act of 1997 (D.C. Act 12-53, March 31, 1997, 44 DCR 2209).

For temporary requirement that the Mayor not reduce or deter tax liability should the Mayor fail to submit proposed legislation to establish comprehensive standards to maintain existing employers in the District and to attract new employers, see § 5 of the BNA Washington, Inc., Real Property Tax Deferral Congressional Adjournment Emergency Amendment Act of 1996 (D.C. Act 11-440, December 5, 1996, 44 DCR 6658), and § 5 of the BNA Washington, Inc., Real Property Tax Deferral Emergency Amendment Act of 1997 (D.C. Act 12-53, March 31, 1997, 44 DCR 2209).

For temporary application of the provisions of D.C. Act 11-440 to the tax year beginning

October 1, 1996, and ending September 30, 1997, and for each tax year thereafter through September 30, 1997, see § 7 of the BNA Washington, Inc., Real Property Tax Deferral Congressional Adjournment Emergency Amendment Act of 1996 (D.C. Act 11-440, December 5, 1996, 44 DCR 6658).

For temporary repeal of the BNA Washington, Inc., Real Property Tax Deferral Congressional Adjournment Emergency Amendment Act of 1996 (D.C. Act 11-440, December 5, 1996), see § 8(a) of the BNA Washington, Inc., Real Property Tax Deferral Congressional Review Emergency Amendment Act of 1996 (D.C. Act 11-475, December 30, 1996, 44 DCR 200), see § 8(b) of the BNA Washington, Inc., Real Property Tax Deferral Congressional Review Emergency Amendment Act of 1996 (D.C. Act 11-475, December 30, 1996, 44 DCR 200), and § 9(a) of the BNA Washington, Inc., Real Property Tax Deferral Emergency Amendment Act of 1997 (D.C. Act 12-53, March 31, 1997, 44 DCR 2209).

For temporary repeal of the BNA Washington, Inc., Real Property Tax Deferral Temporary Amendment Act of 1996 (D.C. Act 11-433, October 18, 1996, 43 DCR 6176), see § 9(b) of the BNA Washington, Inc., Real Property Tax Deferral Emergency Amendment Act of 1997 (D.C. Act 12-53, March 31, 1997, 44 DCR 2209).

For temporary amendment of section, see § 2 of the BNA Washington, Inc., Real Property Tax Deferral Legislative Review Emergency Amendment Act of 1997 (D.C. Act 12-103, July 2, 1997, 44 DCR 4199).

For temporary amendment of §§ 4 and 5 of D.C. Law 11-250, see § 901 of the Fiscal Year 1998 Revised Budget Support Emergency Act of 1997 (D.C. Act 12-152, October 17, 1997, 44 DCR 6196), and see § 901 of the Fiscal Year 1998 Revised Budget Support Congressional Review Emergency Act of 1997 (D.C. Act 12-239, January 13, 1998, 45 DCR 508).

For temporary (90 day) amendment of section, see § 3 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 11-250.** — Law 11-250, the “BNA Washington, Inc., Real Property Tax Deferral Amendment Act of 1996,” was introduced in Council and assigned Bill No. 11-818, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 7, 1996, and December 3, 1996, respectively. Signed by the Mayor on December 24, 1996, it was assigned Act No. 11-514 and transmitted to both Houses of Congress for its review. D.C. Law 11-250 became effective on April 9, 1997.

**Legislative history of Law 12-60.** — Law 12-60, the “Fiscal Year 1998 Revised Budget Support Act of 1998,” was introduced in Council

and assigned Bill No. 12-353, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on September 8, 1997, and October 7, 1997, respectively. Signed by the Mayor on October 24, 1997, it was assigned Act No. 12-191 and transmitted to both Houses of Congress for its review. D.C. Law 12-60 became effective on March 20, 1998.

**Legislative history of Law 12-81.** — Law 12-81, the “Technical Amendments Act of 1998,” was introduced in Council and assigned Bill No. 12-408, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 4, 1997, and December 4, 1997, respectively. Signed by the Mayor on December 22, 1997, it was assigned Act No. 12-246 and transmitted to both Houses of Congress for its review. D.C. Law 12-81 became effective on March 24, 1998.

**References in text.** — Pursuant to the Office of the Chief Financial Officer’s “Notice of Public Interest” published in the April 18, 1997, issue of the District of Columbia Register (44 DCR 2345) the Office of Tax and Revenue assumed all of the duties and functions previously performed by the Department of Finance and Revenue, as set forth in Commissioner’s Order 69-96, dated March 7, 1969. This action was made effective January 22, 1997, *nunc pro tunc*.

**Editor’s notes.** — Application of Law 11-250: Section 7 of D.C. Law 11-250 provided that the provisions of the act shall apply to the tax year beginning October 1, 1996, and ending September 30, 1997, and for each tax year thereafter through September 30, 2007.

Proposed economic development incentives legislation: Section 4 of D.C. Law 11-250, as amended by § 901(a) of D.C. Law 12-60, provides that the Mayor shall submit to the Council, not later than September 16, 1997, proposed legislation to establish comprehensive standards for the provision of incentives by the District government to maintain existing employers in the District and to attract new employers to the District.

Section 5 of D.C. Law 11-250, as amended by § 901(b) of D.C. Law 12-60, provided that if the Mayor does not submit the proposed legislation outlined in § 4 of the act, the Mayor shall not reduce or defer the tax liability, including interest and penalties, or negotiate, or enter into, an agreement for the reduction or deferment of any tax liability, including interest and penalties, of any taxpayer liable to the District for the payment of any tax. Section 5 also provided that if the Mayor does not submit the proposed legislation, one position in the Office of the Assistant City Administrator for Economic Development shall be abolished.

Section 503 of D.C. Law 13-305 provided: “Sec. 503. Repealer relating to real property tax



assessments. Sections 4 and 5 of the BNA Amendment Act of 1996, effective April 9, 1997 Washington Inc. Real Property Tax Deferral (D.C. Law 11-250; 44 DCR 1253), are repealed.”

## § 47-845.02. Tax deferral — Low-income property owners.

(a) For purposes of this section, the term:

(1) “Eligible owner” means an owner (or owners):

(A) Who resides in the District in a house or condominium; and

(B) Whose household adjusted gross income is less than \$50,000.

(2) “Household adjusted gross income” means the adjusted gross income of all persons residing in a household, excluding the adjusted gross income of any person who is a tenant by virtue of a written lease for fair market value.

(b) Except as provided in subsection (d) of this section, an eligible owner may defer for each tax year any real property tax in excess of the real property tax for the prior tax year.

(c) Real property tax deferred under this section shall bear interest at the rate of 8% per annum.

(d) Real property tax shall not be deferred if the aggregate amount of the deferred real property tax, including interest thereon, under this section and § 47-845, is equal to or greater than 25% of the assessed value of the real property for the tax year (or half tax year for which the deferral would otherwise continue).

(e) To qualify to receive the deferral, the eligible owner shall complete and file with the Mayor an application in a form prescribed by the Mayor. The eligible owner shall certify, under penalty of perjury, the information provided on the application form and the application form shall be filed in the manner prescribed by the Mayor. The Mayor may require the eligible owner to provide any information which the Mayor considers necessary, including all taxpayer identification numbers of the eligible owner, any other owner, any person with legal or equitable title, and any person in the household of the eligible owner. The Mayor may also require eligible owner, any person with legal or equitable title, and any person in the household of the individual to submit information after the deferral has been granted to determine whether the eligible owner continues to be entitled to the deferral.

(f) If a properly completed and approved application is filed during the period October 1 through March 31 of the tax year, the eligible owner shall receive the deferral for the entire tax year. Notwithstanding subsection (b) of this section, if a properly completed and approved application is filed during the period April 1 through September 30, the eligible household shall receive  $\frac{1}{2}$  of the deferral, which shall be applied to the second installment only.

(g) The application form filed by the individual, shareholder, or member shall apply to the initial tax year or initial second-half tax year, and to any succeeding tax year thereafter, for which the deferral is granted.

(h)(1) If the eligible owner no longer qualifies for the deferral, the eligible owner shall notify the Mayor of the date of the change in eligibility within 30 days after the change in eligibility and the amount of the deferred tax, plus interest at the rate provided in subsection (c) of this section, for the tax year in which the change in eligibility occurred shall be paid within 30 days of the

change in eligibility. If the applicant fails to notify the Mayor timely, the amount of the deferred tax, plus interest thereon, shall bear interest at the rate provided for the payment of delinquent real property taxes, plus applicable penalties thereon.

(2) Notwithstanding paragraph (1) of this subsection, if the real property of the eligible owner is transferred and continues to qualify for the deferral 30 days or less before the date of execution of the deed of transfer, the eligible owner shall not be required to notify the Mayor of the change in eligibility.

(3) If the change in eligibility occurs during the period October 1 through March 31 of the tax year, the deferral shall be disallowed for the entire tax year.

(4) If the change in eligibility occurs during the period April 1 through September 30, the deferral shall be disallowed for ½ of the tax year.

(i)(1) There shall be a lien on the real property in the amount of the deferred real property tax, at the rate as provided in subsection (c) of this section or subsection (h) of this section, as applicable, and any penalties.

(2) Deferred real property tax, interest thereon, and any penalties, shall be payable upon the transfer of the real property. Real property that is not transferred within one year from the date of death of the eligible owner shall be deemed transferred. Real property tax together, and interest thereon, that is not paid within 5 days of the date of transfer shall be deemed delinquent real property tax.

(j) The eligibility of an eligible owner for the deferral shall not be affected by the transfer of the real property into a revocable trust if the transfer is without consideration and the real property remains the residence of the eligible owner before and after the transfer.

(k) If an eligible owner claims a deferral for more than one real property in the same tax year, and has not timely notified the Mayor of all changes in eligibility, the Mayor shall disallow the deferral for each real property claimed by the eligible owner.

(l) Section 47-863(k) shall apply in the case of a deferral under this section.

(m) The real property tax bill shall indicate whether the real property is receiving the deferral under this section. Any tax certificate shall indicate whether the real property is receiving the deferral under this section and the amount of deferred real property tax, interest thereon, and penalties. If a tax certificate does not contain the foregoing information, the eligible owner, and not the real property, shall be personally liable for the amount of deferred real property tax, interest thereon, and penalties.

(n) Any taxpayer who is 65 years of age or older and who applies for real property tax deferral under this section shall have undergone counseling as described in section 255 of the National Housing Act, approved February 5, 1988 (101 Stat. 1908; 12 U.S.C. § 1715z-20), relating to insurance on home equity conversion mortgages for elderly homeowners.

(Oct, 20, 2005, D.C. Law 16-33, § 1142(b), 52 DCR 7503; Mar. 25, 2009, D.C. Law 17-345, § 2(a), 56 DCR 962.)



**Effect of amendments.** — D.C. Law 17-345, in subsec. (m), added the last two sentences.

**Temporary Amendment of Section.** — Section 2(a) of D.C. Law 17-72 amended subsec. (m) by adding two new sentences at the end to read as follows: “Any tax certificate shall indicate whether the real property is receiving the deferral under this section and the amount of deferred real property tax, interest thereon, and penalties. If a tax certificate does not contain the foregoing information, the eligible owner, and not the real property, shall be personally liable for the amount of deferred real property tax, interest thereon, and penalties.”

Section 5(b) of D.C. Law 17-72 provided that the act shall expire after 225 days of its having taken effect.

Section 2(a) of D.C. Law 17-295, in subsec. (m), added two sentences to the end to read as follows: “Any tax certificate shall indicate whether the real property is receiving the deferral under this section and the amount of deferred real property tax, interest thereon, and penalties. If a tax certificate does not contain the foregoing information, the eligible owner, and not the real property, shall be personally liable for the amount of deferred real property tax, interest thereon, and penalties.”

Section 5(b) of D.C. Law 17-295 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) additions, see §§ 1142(b), 1144 of Fiscal Year 2006 Budget Support Emergency Act of

2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

For temporary (90 day) amendment of section, see § 2(a) of Real Property Tax Benefits Revision Emergency Act of 2007 (D.C. Act 17-145, October 17, 2007, 54 DCR 10748).

For temporary (90 day) amendment, see § 2(a) of Real Property Tax Benefits Revision Congressional Review Emergency Act of 2008 (D.C. Act 17-435, July 16, 2008, 55 DCR 8268).

For temporary (90 day) amendment of section, see § 2(a) of Real Property Tax Benefits Revision Emergency Act of 2008 (D.C. Act 17-547, October 24, 2008, 55 DCR 11975).

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Legislative history of Law 17-345.** — Law 17-345, the “Real Property Tax Benefits Revision Act of 2008”, was introduced in Council and assigned Bill No. 17-70 which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 18, 2008, and December 16, 2008, respectively. Signed by the Mayor on January 12, 2009, it was assigned Act No. 17-663 and transmitted to both Houses of Congress for its review. D.C. Law 17-345 became effective on March 25, 2009.

**Short title.** — Short title of subtitle S of title I of Law 16-33: Section 1141 of D.C. Law 16-33 provided that subtitle S of title I of the act may be cited as the Tax Deferral for Low-income Property Owners Act of 2005.

**Editor’s notes.** — Section 1144 of D.C. Law 16-33 provided that §§ 1142 and 1143 shall apply to tax periods beginning after September 30, 2005.

## § 47-845.03. Tax deferral — Low-income senior property owners.

(a) For purposes of this section, the term:

(1) “Adjusted gross income” shall have the same meaning as in section 62 of the Internal Revenue Code of 1986, approved August 16, 1954 (68 Stat. 17; 26 U.S.C. § 62).

(2) “Household adjusted gross income” means the adjusted gross income of all persons residing in a household, excluding the adjusted gross income of any person who is a tenant by virtue of a written lease for fair market value.

(3) “Residence” means the principal place of residence in the District of an individual who is domiciled in the District.

(4) “Senior’s household” means a house or condominium which is an individual’s residence:

(A) That comprises a dwelling unit;

(B) That is Class 1 Property, as defined in § 47-813, and contains not more than 5 dwelling units therein;

(C) That is owned at least 50%, in whole or in part, by the individual who is 65 years of age or older; and

(D) Wherein the household adjusted gross income is less than \$50,000.

(b) Except as provided in subsection (d) of this section, a senior's household may defer each year any real property tax owed.

(c) Taxes deferred under this section shall bear interest at the rate charged on underpayments of federal income taxes under section 6621 of Internal Revenue Code of 1986, approved January 3, 1975 (88 Stat. 2114; 26 U.S.C. § 6621), on the date the first installment of the real property tax to be deferred under this section is originally due to be paid to the District of Columbia; provided, that the rate of interest shall not exceed 8% per year.

(d) No further deferrals of real property tax shall be granted to a senior's household if the aggregate amount of the deferred tax, plus interest, from previous tax years, under this section and § 47-845, is equal to or greater than 25% of the assessed value of the property for the tax year for which the deferral is requested.

(e)(1) There shall be a lien on the real property in the amount of the deferred real property tax, plus interest, at the rate as provided in subsection (c) of this section or subsection (j) of this section, as applicable, and any penalties.

(2) Deferred real property tax, interest thereon, and any penalties, shall be payable upon the transfer of the real property. Real property that is not transferred within one year from the date of death of the eligible owner shall be deemed transferred. Real property tax together, and interest thereon, that is not paid within 5 days of the date of transfer shall be deemed delinquent real property tax.

(f) To qualify the senior's household to receive the deferral, the individual shall complete and file with the Mayor an application in a form prescribed by the Mayor. The individual shall certify, under penalty of perjury, the information provided on the application form and the application form shall be filed in the manner prescribed by the Mayor. The Mayor may require the individual to provide any information which the Mayor considers necessary, including all taxpayer identification numbers of the individual, any other owner, any person with legal or equitable title, and any person in the household of the individual. The Mayor may also require the individual, any other owner, any person with legal or equitable title, and any person in the household of the individual to submit information after the deferral has been allowed to determine whether the real property remains a senior's household and entitled to the deferral.

(g) If a properly completed and approved application is filed during the period October 1 through March 31 of the tax year, the senior's household shall receive the deferral for the entire tax year. If a properly completed and approved application is filed during the period April 1 through September 30, the senior's household shall receive the deferral for only  $\frac{1}{2}$  of the property taxes for the year.

(h) The application form filed by the individual shall apply to the initial tax year and to any succeeding tax year thereafter for which the deferral is allowed.

(i)(1) If the senior's household no longer qualifies for the deferral, the eligible owner shall notify the Mayor of the date of the change in eligibility within 30 days after the change in eligibility and the amount of the deferred tax, plus interest at the rate provided in subsection (c) of this section, for the



tax year in which the change in eligibility occurred shall be paid within 30 days of the change in eligibility. If the applicant fails to notify the Mayor timely, the amount of the deferred tax, plus interest thereon, shall bear interest at the rate provided for the payment of delinquent real property taxes, plus applicable penalties thereon.

(2) Notwithstanding paragraph (1) of this subsection, if the real property of the senior's household is transferred and continued to qualify for the deferral 30 days or less before the date of execution of the deed of transfer, the individual, shareholder, or member shall not be required to notify the Mayor of the change in eligibility.

(3) If the change in eligibility occurs during the period October 1 through March 31 of the tax year, the deferral shall be disallowed for the entire tax year.

(4) If the change in eligibility occurs during the period April 1 through September 30, the deferral shall be disallowed for only  $\frac{1}{2}$  of the property taxes for the year.

(j) If real property tax is owing as a result of an erroneous or improper deferral, the following shall apply:

(1)(A) If the senior's household was transferred, the individual shall be personally liable for the amount of the delinquent real property tax which was not paid timely during the period when the individual had an ownership interest in the senior's household, together with interest at the same rate as provided in this chapter for the late payment of real property tax.

(B) The tax shall be considered due on the date that the total amount of real property tax was due but unpaid and shall be collected in the manner prescribed under Chapter 44.

(2) Notwithstanding paragraph (1) of this subsection, if the senior's household was transferred and the grantee failed to timely record a deed under § 47-1431, there shall be a lien on the real property in the amount of the delinquent real property tax which was not timely paid, together with interest as provided in this chapter for the late payment of real property tax.

(3) In all other cases, there shall be a lien on the real property in the amount of the delinquent real property tax which was not paid timely, together with interest as provided in this chapter for the late payment of real property tax.

(k) The eligibility of a senior's household for the deferral shall not be affected by the transfer of the senior's household into a revocable trust if the transfer is without consideration and the senior's household remains the residence of the individual-grantor before and after the transfer.

(l) Only one individual in a household and that individual's spouse or domestic partner, if any, shall claim a deferral for a senior's household in the District.

(m) If an individual claims more than one senior's household in the same tax year, and has not timely notified the Mayor of all changes in eligibility, the Mayor shall disallow the deferral for all senior's households claimed by the individual.

(n) Section 47-863(k) shall apply in the case of deferral under this section.

(o) The real property tax bill shall indicate whether the real property is receiving the deferral under this section. Any tax certificate shall indicate whether the real property is receiving the deferral under this section and the amount of deferred real property tax, interest thereon, and penalties. If a tax certificate does not contain the foregoing information, the eligible owner, and not the real property, shall be personally liable for the amount of deferred real property tax, interest thereon, and penalties.

(p) Any taxpayer who is 65 years of age or older, who applies for property tax deferral under this section shall have undergone counseling as described in section 255 of the National Housing Act, approved February 5, 1988 (101 Stat. 1908; 12 U.S.C. § 1715z-20), relating to insurance on home equity conversion mortgages for elderly homeowners.

(Oct. 20, 2005, D.C. Law 16-33, § 1142(b), 52 DCR 7503; Mar. 2, 2007, D.C. Law 16-191, § 5(d), 53 DCR 6794; Sept. 12, 2008, D.C. Law 17-231, § 41(c), 55 DCR 6758; Mar. 25, 2009, D.C. Law 17-345, § 2(b), 56 DCR 962.)

**Effect of amendments.** — D.C. Law 16-191, in subssecs. (a)(4)(A), (B), (C), and (D), validated previously made technical corrections.

D.C. Law 17-231, in subsec. (l), substituted “spouse or domestic partner” for “spouse”.

D.C. Law 17-345, in subsec. (o), added the last two sentences.

**Temporary Amendment of Section.** — Section 2(b) of D.C. Law 17-72 amended subsec. (o) by adding two new sentences at the end to read as follows: “Any tax certificate shall indicate whether the real property is receiving the deferral under this section and the amount of deferred real property tax, interest thereon, and penalties. If a tax certificate does not contain the foregoing information, the eligible owner, and not the real property, shall be personally liable for the amount of deferred real property tax, interest thereon, and penalties.”

Section 5(b) of D.C. Law 17-72 provided that the act shall expire after 225 days of its having taken effect.

Section 2(b) of D.C. Law 17-295, in subsec. (o), added two sentences to the end to read as follows: “Any tax certificate shall indicate whether the real property is receiving the deferral under this section and the amount of deferred real property tax, interest thereon, and penalties. If a tax certificate does not contain the foregoing information, the eligible owner, and not the real property, shall be personally liable for the amount of deferred real property tax, interest thereon, and penalties.”

Section 5(b) of D.C. Law 17-295 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) addition of section, see §§ 1142(b), 1144 of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

For temporary (90 day) amendment of section, see § 2(b) of Real Property Tax Benefits Revision Emergency Act of 2007 (D.C. Act 17-145, October 17, 2007, 54 DCR 10748).

For temporary (90 day) amendment, see § 2(b) of Real Property Tax Benefits Revision Congressional Review Emergency Act of 2008 (D.C. Act 17-435, July 16, 2008, 55 DCR 8268).

For temporary (90 day) amendment of section, see § 2(b) of Real Property Tax Benefits Revision Emergency Act of 2008 (D.C. Act 17-547, October 24, 2008, 55 DCR 11975).

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Legislative history of Law 16-191.** — For Law 16-191, see notes following § 47-308.02.

**Legislative history of Law 17-231.** — For Law 17-231, see notes following § 47-802.

**Legislative history of Law 17-345.** — For Law 17-345, see notes following § 47-845.02.

**Editor's notes.** — Section 1144 of D.C. Law 16-33 provided that §§ 1142 and 1143 shall apply to tax periods beginning after September 30, 2005.

## § 47-846. Tax deferral — Homeowner whose adjusted gross income exceeds \$20,000. [Repealed].

Repealed.



(July 24, 1982, D.C. Law 4-128, § 3, 29 DCR 2401.)

**Section references.** — This section is referred to in § 47-862.

**Prior Codifications.** — 1981 Ed., § 47-846.

**Legislative history of Law 4-128.** — For legislative history of D.C. Law 4-128, see Historical and Statutory Notes following § 47-845.

### § 47-846.01. Deferral or forgiveness of property tax.

The Mayor may defer or forgive, in whole or in part, any property tax owed to the District of Columbia with respect to any qualified real property approved pursuant to § 6-1503.

(Sept. 3, 1974, Pub. L. 93-407, title IV, § 436a, as added Oct. 20, 1988, D.C. Law 7-177, § 6(b), 35 DCR 6158; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-846.1.

**Temporary Amendment of Section.** — Section 2 of D.C. Law 18-27 designated the existing text as subsec. (a) and added subsec. (b) to read as follows:

“(b) Upon application, the Mayor shall defer, without penalty, until September 15, 2009, all the first half billing of real property taxes for tax year 2009 owed to the District of Columbia by a small business located within an active streetscape construction corridor on all the city blocks of H Street, N.E., between 3rd Street, N.E., and 15th Street, N.E.; all the city blocks of 7th Street, S.E., between North Carolina Avenue, S.E., and Pennsylvania Avenue, S.E.; and all the city blocks of 12th Street, N.E., between Michigan Avenue, N.E., and Monroe Street, N.E.”

Section 4(b) of D.C. Law 18-27 provided that the act shall expire after 225 days of its having taken effect.

Section 2 of D.C. Law 18-178 designated the existing text as subsec. (a); and added subsec. (b) to read as follows:

“(b) Upon application, the Mayor shall defer, without penalty, until September 15, 2010, all the first half billing of real property tax for tax year 2010 owed to the District of Columbia with respect to any small commercial businesses located within an active streetscape construction corridor for the city blocks of H Street, N.E., between 3rd Street, N.E., and 15th Street, N.E.”

Section 4(a) of D.C. Law 18-178 provided that

the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary forgiveness of real property taxes, interest, penalties, fees, and other related charges against the Children's Defense Fund, for real property tax year 1995, see § 2 of the Children's Defense Fund Equitable Real Property Tax Relief Emergency Act of 1997 (D.C. Act 12-60, March 31, 1997, 44 DCR 2238).

For temporary (90 day) amendment of section, see § 2 of Small Business Streetscape Construction Real Property Tax Deferral Emergency Act of 2009 (D.C. Act 18-48, April 27, 2009, 56 DCR 3579).

For temporary (90 day) amendment of section, see § 2 of H Street, N.E. Small Business Streetscape Construction Real Property Tax Deferral Emergency Act of 2010 (D.C. Act 18-341, March 22, 2010, 57 DCR 2850).

**Legislative history of Law 7-177.** — Law 7-177, the “Economic Development Zone Incentives Amendment Act of 1988,” was introduced in Council and assigned Bill No. 7-208, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 28, 1988 and July 12, 1988, respectively. Signed by the Mayor on August 2, 1988, it was assigned Act No. 7-237 and transmitted to both Houses of Congress for its review.

**Editor's notes.** — Mayor authorized to issue rules: Section 13 of D.C. Law 7-177 provided that the Mayor shall issue rules to implement the provisions of the act.

### § 47-847. Sale of tax delinquent property — Issuance of deed to District; redemption.

(a) Notwithstanding any other provision of law, whenever any real property in the District of Columbia has been, or shall hereafter be, offered for sale for nonpayment of taxes or assessments of any kind whatsoever, and shall have

been bid off in the name of the District of Columbia, and 6 months or more have elapsed since such property was bid off as aforesaid, and the same has not been redeemed as provided by law, the Mayor of the District may enforce the lien of the District for taxes or other assessments on such real property by ordering that a deed in fee simple to such property be issued by the Mayor of the District of Columbia to the District of Columbia, and up to the time of the issuance of the deed such property may be redeemed by the owner or other person having an interest therein by the payment of all taxes or assessments due the District of Columbia upon said property, and all legal penalties, interests and costs thereon, together with such other expenses and costs, including costs of publication, as may have been incurred by the District.

(b) The time period for redemption of properties brought to tax sale under § 47-1205(b), shall be 6 months.

(c) The time period for redemption of properties brought to tax sale under § 8-807(f), shall be 6 months.

(Sept. 3, 1974, 88 Stat. 1059, Pub. L. 93-407, title IV, § 437; Aug. 9, 1986, D.C. Law 6-135, § 14(e), 33 DCR 3771; Sept. 20, 1989, D.C. Law 8-31, § 5(e), 36 DCR 4750; Sept. 26, 1995, D.C. Law 11-52, § 104(c), 42 DCR 3684; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Cross references.** — District of Columbia administration, purchasing and contracting procedures, exemptions, see § 2-303.20.

Homestead Housing Preservation Program, transfer of properties acquired under this section, see § 42-2104.

Litter control, fines and penalties, liens on real property, see § 8-807.

Real property tax sales, notice to record owner and public auction, see § 47-1301.

Special assessments, nuisance abatement, delinquencies, see § 47-1205.

**Section references.** — This section is referred to in §§ 42-2105.01 and 47-848.

**Prior Codifications.** — 1981 Ed., § 47-847. 1973 Ed., § 47-657.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 104(b) of Multiyear Budget Spending Reduction and Support Temporary Act of 1995 (D.C. Law 10-253, March 23, 1995, law notification 42 DCR 1652).

**Emergency legislation.** — Section 1202 of D.C. Act 10-389 provided that the provisions of sections 104(b), 107(c), (d) and (e), and 108(a) and (b) shall apply to the real property tax sale conducted July, 1995, and for each sale conducted thereafter.

For temporary amendment of section, see § 101(b) of the Omnibus Budget Support Emergency Act of 1995 (D.C. Act 11-44, April 28, 1995, 42 DCR 2217) and § 104(c) of the Omnibus Budget Support Congressional Review Emergency Act of 1995 (D.C. Act 11-124, July 27, 1995, 42 DCR 4160).

**Legislative history of Law 6-135.** — Law 6-135, the "Homestead Housing Preservation Act of 1986," was introduced in Council and assigned Bill No. 6-168, which was referred to the Committee on Housing and Economic Development. The Bill was adopted on first and second readings on May 27, 1986 and June 10, 1986, respectively signed by the Mayor on June 13, 1986, it was assigned Act No. 6-173 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 8-31.** — Law 8-31, the "District of Columbia Solid Waste Regulation Amendment Act of 1989," was introduced in Council and assigned Bill No. 8-135, which was referred to the Committee on Public Works. The Bill was adopted on first and second readings on May 30, 1989 and June 13, 1989, respectively. Signed by the Mayor on June 27, 1989, it was assigned Act No. 8-54 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 11-52.** — For legislative history of D.C. Law 11-52, see Historical and Statutory Notes following § 47-811.01.

**Delegation of Authority.** — Delegation of Mayor's Authority to Issue Tax Deeds to the District of Columbia to the Deputy Mayor for Planning and Economic Development, see Mayor's Order 2003-162, November 18, 2003 (50 DCR 10602).

Delegation of Mayor's Authority to Issue Tax Deeds Pursuant to the Mayor's Authority under D.C. Official Code § 47-847 to the Chief Prop-



erty Management Officer, see Mayor's Order 2004-193, November 26, 2004 (51 DCR 11373).  
Delegation of Authority to the Director of the

Department of Housing and Community Development, see Mayor's Order 2007-209, September 27, 2007 (55 DCR 133).

### CASE NOTES

#### In general.

Statute that allows District to take title for itself to property bidoff in name of District for unpaid taxes did not give District priority over purchasers of that same property at tax sale later in time; District's request for title report was not equivalent of "ordering that a deed in

fee simple be issued," much less issuing deed itself, which is critical event under that statute. D.C. Code 1981, § 47-847. *Massie v. District of Columbia*, 634 A.2d 1226, 1993 D.C. App. LEXIS 320 (1993), remanded by 745 A.2d 299, 2000 D.C. App. LEXIS 19 (D.C. 2000).

## § 47-848. Sale of tax delinquent property — Transference of ownership.

The Council is hereby authorized to establish a program whereby title to properties acquired by tax sale pursuant to §§ 47-847 and 47-1303 may, for whatever consideration or sum it deems appropriate, be transferred to persons, nonprofit organizations or nonprofit developers, meeting criteria which shall be established by the Council, and who:

- (1) Guarantee to pay taxes on the property;
- (2) Live in the property for at least 5 years (for residential property owners), or maintain active ownership and legal possession of the property for at least 10 years and provide needed community services in the District for at least 10 years (for nonprofit organizations or developers); and
- (3) Give assurance of bringing the property into reasonable compliance with the building code in the District.

(Sept. 3, 1974, 88 Stat. 1059, Pub. L. 93-407, title IV, § 438; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 11, 1999, D.C. Law 13-11, § 3(b), 46 DCR 5487; June 12, 2003, D.C. Law 14-310, § 14(b), 50 DCR 1092.)

**Cross references.** — Financial institutions, application to conduct business, loan policies and homestead development programs, see § 26-704.

Savings and loan association acquisitions, applications, loan policies and homestead development programs, see § 26-1204.

**Prior Codifications.** — 1981 Ed., § 47-848. 1973 Ed., § 47-658.

**Effect of amendments.** — D.C. Law 13-11 provided alternatively to living on the property for 5 years that one "maintain active ownership and legal possession of the property for at least 10 years and provide needed community services in the District for at least 10 years (for nonprofit organizations or developers)."

D.C. Law 14-310, in the introductory paragraph, substituted "§§ 47-847 and 47-1303" for "§ 47-847".

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 3 of Homestead Housing Preservation

Temporary Amendment Act of 1998 (D.C. Law 12-245, April 20, 1999, law notification 46 DCR 4158).

**Emergency legislation.** — For temporary amendment of section, see § 3 of the Homestead Housing Preservation Emergency Amendment Act of 1998 (D.C. Act 12-556, January 12, 1999, 45 DCR 625).

For temporary (90-day) amendment of section, see § 3(b) of the Homestead Housing Preservation Congressional Review Emergency Amendment Act of 1999 (D.C. Act 13-62, May 10, 1999, 46 DCR 4454).

For temporary (90 day) amendment of section, see §§ 3(d)(1) and 6(b) of the Redevelopment Land Agency Disposition Review Congressional Review Emergency Amendment Act of 2000 (D.C. Act 13-524, January 11, 2001, 48 DCR 624).

**Legislative history of Law 13-11.** — Law 13-11, the "Homestead Housing Preservation Amendment Act of 1999," was introduced in

Council and assigned Bill No. 13-50, which was referred to the Committee on Economic Development. The Bill was adopted on first and second readings on February 2, 1999, and March 2, 1999, respectively. Signed by the Mayor on March 22, 1999, it was assigned Act

No. 13-48 and transmitted to both Houses of Congress for its review. D.C. Law 13-11 became effective on June 11, 1999.

**Legislative history of Law 14-310.** — For Law 14-310, see notes following § 47-365.

## § 47-849. Residential property tax relief — Definitions.

For purposes of §§ 47-850 through 47-850.04, the term:

(1) "Residence" means the principal place of residence within the District of an individual, shareholder, or member, who is domiciled in the District.

(2) "Homestead" means:

(A) In the case of real property improved by a house or a condominium, an individual's residence that:

(i) Comprises a dwelling unit;

(ii) Is Class 1 Property, as defined in § 47-813, that contains not more than 5 dwelling units therein; and

(iii)(I) Is owned in whole or in part by the individual; or

(II) Is owned in whole by trustee under a special needs trust for the benefit of a beneficiary who is deemed to be the owner under § 47-802(5)(E).

(B)(i) In the case of real property owned by a cooperative housing association that is Class 1 Property, as defined under § 47-813, a shareholder's or member's residence that:

(I) Comprises a dwelling unit; and

(II) By reason of his ownership of stock or membership certificate, a proprietary lease, or other evidence of membership, is occupied by right by the shareholder or member.

(ii) For purposes of sub-subparagraph (i) of this subparagraph, a shareholder or member shall include the beneficiary of a special needs trust who is deemed to be the owner under § 47-802(5)(E).

(Feb. 28, 1978, D.C. Law 2-45, § 2, 24 DCR 3614; Mar. 3, 1979, D.C. Law 2-130, § 7(a), 25 DCR 2517; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 25, 2002, D.C. Law 14-147, § 2(c), 49 DCR 4219; Oct. 20, 2005, D.C. Law 16-33, § 1297(a)(2), 52 DCR 7503.)

**Prior Codifications.** — 1981 Ed., § 47-849. 1973 Ed., § 47-659.

**Effect of amendments.** — D.C. Law 14-147 rewrote the section.

D.C. Law 16-33, rewrote pars. (2)(A)(iii) and (2)(B).

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2(c) of Homestead and Senior Citizen Real Property Tax Temporary Act of 2001 (D.C. Law 14-92, March 19, 2002, law notification 49 DCR 2997).

**Emergency legislation.** — For temporary (90 day) amendment of section, see §§ 2(c), 3 of Homestead and Senior Citizen Real Property Tax Emergency Act of 2001 (D.C. Act 14-190, November 29, 2001, 48 DCR 11219).

For temporary (90 day) amendment of section, see § 2(c) of Homestead and Senior Citizen Real Property Tax Legislative Review Emergency Act of 2001 (D.C. Act 14-226, January 8, 2002, 49 DCR 668).

For temporary (90 day) amendment of section, see §§ 1297(a)(2), 1298, 1299 of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

**Legislative history of Law 2-45.** — Law 2-45, the "Residential Property Tax Relief Act of 1977," was introduced in Council and assigned Bill No. 2-127, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first, amended first, and second readings on June 28, 1977, July 26, 1977 and



September 13, 1977, respectively. Signed by the Mayor on November 2, 1977, it was assigned Act No. 2-96 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 2-130.** — For legislative history of D.C. Law 2-130, see Historical and Statutory Notes following § 47-803.

**Legislative history of Law 14-147.** — For Law 14-147, see notes following § 47-813.

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Editor's notes.** — Definitions applicable: The definitions in § 47-803 apply to this section.

Section 3 of D.C. Law 14-147 provided that

section 2 shall apply as of October 1, 2001, except insofar as the retroactive application results in an increase of tax to the real property or owner thereof.

Applicability and expiration of subtitle KK of title I, §§ 1295 to 1300, of D.C. Law 16-33: Sections 1298 and 1299, as amended by D.C. Law 17-219, § 7068(l), (m) provided:

“Sec. 1298. Conditional applicability.

“(a) Sections 1296 and 1297 shall apply for taxable years beginning after September 30, 2005.

“(b) Repealed.

“Sec. 1299. Repealed.”

## § 47-850. Residential property tax relief — Homestead deduction for houses and condominium units.

(a) For purposes of levying the real property tax during a tax year, the Mayor shall deduct \$67,500, increased annually, beginning October 1, 2012, by the cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next lowest multiple of \$50), from the assessed value of real property which qualifies as a homestead. The deduction shall be apportioned equally between each installment during a tax year and shall not be carried forward or carried back.

(b) To qualify the homestead and receive the deduction, the individual shall complete and file with the Mayor an application in a form prescribed by the Mayor. The individual shall certify, under penalty of perjury, the information provided on the application form and the application form shall be filed in the manner prescribed by the Mayor. The Mayor may require the individual to provide any information which the Mayor considers necessary, including all taxpayer identification numbers of the individual, any other owner, any person with legal or equitable title, and any person in the household of the individual. The Mayor may also require the individual, any other owner, any person with legal or equitable title, and any person in the household of the individual to supply information after the homestead has been granted to determine whether the real property remains a homestead and entitled to the deduction.

(c) If a properly completed and approved application is filed during the period October 1 through March 31 of the tax year, the real property shall receive the deduction for the entire tax year. Notwithstanding subsection (a) of this section, if a properly completed and approved application is filed during the period April 1 through September 30, the real property shall receive  $\frac{1}{2}$  of the deduction for the second installment only.

(d) An individual may only claim one lot as a homestead. If a homestead comprises more than one lot, the deduction may only be applied against the estimated market value of one lot and the other lots shall not receive the deduction. Only one person in a household shall be entitled to claim a homestead in the District.

(e) The real property tax bill shall indicate whether the real property is receiving the deduction.

(Feb. 28, 1978, D.C. Law 2-45, § 3, 24 DCR 3614; Mar. 3, 1979, D.C. Law 2-130, § 7(b), 25 DCR 2517; Nov. 20, 1979, D.C. Law 3-37, § 6, 26 DCR 1564; Apr. 23, 1980, D.C. Law 3-60, § 2, 27 DCR 987; Mar. 10, 1982, D.C. Law 4-73, § 2, 28 DCR 5276; July 24, 1982, D.C. Law 4-129, §§ 2, 4, 29 DCR 2405; Sept. 23, 1986, D.C. Law 6-153, § 4, 33 DCR 4787; Sept. 29, 1988, D.C. Law 7-161, § 3, 35 DCR 5730; Sept. 20, 1990, D.C. Law 8-160, § 3, 37 DCR 4653; Sept. 27, 1990, D.C. Law 8-172, § 3, 37 DCR 4844; Dec. 10, 1991, D.C. Law 9-53, § 2, 38 DCR 6587; Mar. 7, 1992, D.C. Law 9-56, § 4, 38 DCR 7281; Oct. 7, 1992, D.C. Law 9-177, §§ 5, 7, 39 DCR 5868; Sept. 30, 1993, D.C. Law 10-25, § 106, 40 DCR 5489; June 14, 1994, D.C. Law 10-127, § 3(a), 41 DCR 2050; May 16, 1995, D.C. Law 10-255, § 46, 41 DCR 5193; Sept. 26, 1995, D.C. Law 11-52, § 106, 42 DCR 3684; Apr. 18, 1996, D.C. Law 11-110, § 68, 43 DCR 530; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Oct. 23, 1997, D.C. Law 12-38, § 2, 44 DCR 4852; June 25, 2002, D.C. Law 14-147, § 2(d), 49 DCR 4219; Mar. 13, 2004, D.C. Law 15-105, § 80(b), 51 DCR 881; Apr. 22, 2004, D.C. Law 15-135, § 2(a), 51 DCR 1843; Dec. 7, 2004, D.C. Law 15-205, § 1162(c), 51 DCR 8441; Oct. 20, 2005, D.C. Law 16-33, § 1082(a), 52 DCR 7503; May 12, 2006, D.C. Law 16-98, § 2(b), 53 DCR 1869; Sept. 18, 2007, D.C. Law 17-20, § 1032(b), 54 DCR 7052; Mar. 3, 2010, D.C. Law 18-111, § 7241(a), 57 DCR 181.)

**Section references.** — This section is referred to in §§ 47-813, 47-820, 47-849, 47-850.03, 47-863, 47-864, and 47-1806.09.

**Prior Codifications.** — 1981 Ed., § 47-850. 1973 Ed., § 47-659.1.

**Effect of amendments.** — D.C. Law 14-147 rewrote the section.

D.C. Law 15-105, in the section name line, validated a previously made technical correction.

D.C. Law 15-135, in subsec. (a), substituted “\$38,000” for “\$30,000”.

D.C. Law 15-205 rewrote subsec. (a) which had read as follows: “(a) For purposes of levying the real property tax during a tax year, the Mayor shall deduct \$38,000 from the estimated market value of real property which qualifies as a homestead. The deduction shall be apportioned equally between each installment during a tax year and shall not be carried forward or carried back.”

D.C. Law 16-33, in subsec. (a), substituted “\$60,000” for “\$38,000”, and substituted “assessed value” for “estimated market value”.

D.C. Law 16-98, in subsec. (a), substituted “\$63,000, increased annually, beginning October 1, 2007, by the cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next lowest multiple of \$50),” for “\$60,000”.

D.C. Law 17-20, in subsec. (a), substituted “\$64,000, increased annually, beginning October 1, 2008, by the cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next lowest multiple of \$50),” for “\$60,000”.

D.C. Law 18-111 rewrote subsec. (a), which had read as follows: “(a)(1) For purposes of levying the real property tax during a tax year, the Mayor shall deduct \$64,000, increased annually, beginning October 1, 2008, by the cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next lowest multiple of \$50), from the assessed value of real property which qualifies as a homestead. The deduction shall be apportioned equally between each installment during a tax year and shall not be carried forward or carried back. (2) This subsection shall apply as of October 1, 2003.”

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 3 of Real Property Tax Rates for Tax Year 1989 Temporary Amendment Act of 1988 (D.C. Law 7-183, March 16, 1989, law notification 36 DCR 2193).

For temporary (225 day) amendment of section, see § 3 of District of Columbia Real Property Tax Reclassification Amendment Temporary Act of 1990 (D.C. Law 8-146, July 25, 1990, law notification 37 DCR 5134).

For temporary (225 day) amendment of section, see § 2 of District of Columbia Real Property Tax Revision Temporary Amendment Act of 1992 (D.C. Law 9-113, May 21, 1992, law notification 39 DCR 3809).

For temporary (225 day) amendment of section, see § 106 of Omnibus Budget Support Temporary Act of 1993 (D.C. Law 10-11, August 6, 1993, law notification 40 DCR 6213).

For temporary (225 day) amendment of section, see § 106 of Multiyear Budget Spending



Reduction and Support Temporary Act of 1995 (D.C. Law 10-253, March 23, 1995, law notification 41 DCR 1652).

For temporary (225 day) amendment of section, see § 2(b) of Homestead and Senior Citizen Real Property Tax Temporary Act of 2001 (D.C. Law 14-4, June 13, 2001, law notification 48 DCR 5912).

For temporary (225 day) amendment of section, see § 2(d) of Homestead and Senior Citizen Real Property Tax Temporary Act of 2001 (D.C. Law 14-92, March 19, 2002, law notification 49 DCR 2997).

For temporary (225 day) amendment of section, see § 2(c) of Owner-Occupant Residential Tax Credit and Homestead Deductions Temporary Act of 2004 (D.C. Law 15-159, May 18, 2004, law notification 51 DCR 5699).

**Emergency legislation.** — For temporary addition of an applicability date of April 1, 1995, for title XII of the Multiyear Budget Spending Reduction and Support Emergency Act of 1994 (D.C. Act 10-389), see § 2 of the Homestead Deduction Limitation Applicability Date Emergency Amendment Act of 1995 (D.C. Act 11-14, February 28, 1995, 42 DCR 1164).

For temporary addition of an applicability date of April 1, 1995, for title XI of the Multiyear Budget Spending Reduction and Support Temporary Act of 1994 (D.C. Act 10-401), see § 3 of the Homestead Deduction Limitation Applicability Date Emergency Amendment Act of 1995 (D.C. Act 11-14, February 28, 1995, 42 DCR 1164).

For temporary amendment of section, see § 106 of the Omnibus Budget Support Congressional Review Emergency Act of 1995 (D.C. Act 11-124, July 27, 1995, 42 DCR 4160).

For temporary (90 day) amendment of section, see § 2(b) of Homestead and Senior Citizen Real Property Tax Emergency Act of 2001 (D.C. Act 14-21, March 16, 2001, 48 DCR 2703).

For temporary (90 day) amendment of section, see §§ 2(d), 3 of Homestead and Senior Citizen Real Property Tax Emergency Act of 2001 (D.C. Act 14-190, November 29, 2001, 48 DCR 11219).

For temporary (90 day) amendment of section, see § 2(d) of Homestead and Senior Citizen Real Property Tax Legislative Review Emergency Act of 2001 (D.C. Act 14-226, January 8, 2002, 49 DCR 668).

For temporary (90 day) amendment of section, see § 2(c) of Owner-Occupant Residential Tax Credit and Homestead Deduction Clarification Emergency Act of 2004 (D.C. Act 15-374, February 24, 2004, 51 DCR 2618).

For temporary (90 day) amendment of section, see § 1162(c) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) amendment of section, see § 1162(c) of Fiscal Year 2005 Budget

Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

For temporary (90 day) amendment of section, see §§ 1082(a), 1083 of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

For temporary (90 day) amendment of section, see § 1032(b) of Fiscal Year 2008 Budget Support Emergency Act of 2007 (D.C. Act 17-74, July 25, 2007, 54 DCR 7549).

For temporary (90 day) amendment of section, see § 7111(a) of Fiscal Year 2010 Budget Support Emergency Act of 2009 (D.C. Act 18-187, August 26, 2009, 56 DCR 7374).

For temporary (90 day) amendment of section, see § 7241(a) of Fiscal Year 2010 Budget Support Second Emergency Act of 2009 (D.C. Act 18-207, October 15, 2009, 56 DCR 8234).

For temporary (90 day) amendment of section, see § 7241(a) of Fiscal Year Budget Support Congressional Review Emergency Amendment Act of 2009 (D.C. Act 18-260, January 4, 2010, 57 DCR 345).

**Legislative history of Law 2-45.** — For legislative history of D.C. Law 2-45, see Historical and Statutory Notes following § 47-849.

**Legislative history of Law 2-130.** — For legislative history of D.C. Law 2-130, see Historical and Statutory Notes following § 47-803.

**Legislative history of Law 3-37.** — For legislative history of D.C. Law 3-37, see Historical and Statutory Notes following § 47-812.

**Legislative history of Law 3-60.** — Law 3-60, the "Property Tax Relief Application Deadline Extension Act of 1979," was introduced in Council and assigned Bill No. 3-210, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on January 22, 1980 and February 5, 1980, respectively. Signed by the Mayor on February 26, 1980, it was assigned Act No. 3-156 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 4-73.** — Law 4-73, the "Property Tax Relief Application Deadline Extension and Arts and Aging Clarifying Amendments Act of 1981," was introduced in Council and assigned Bill No. 4-318, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on October 27, 1981 and November 10, 1981, respectively. Signed by the Mayor on December 2, 1981, it was assigned Act No. 4-120 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 4-129.** — Law 4-129, the "Homeowner Deductions Application Act of 1982," was introduced in Council and assigned Bill No. 4-267, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on April 27, 1982 and May 11, 1982, respec-

tively. Signed by the Mayor on June 1, 1982, it was assigned Act No. 4-194 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 6-153.** — For legislative history of D.C. Law 6-153, see Historical and Statutory Notes following § 47-863.

**Legislative history of Law 7-161.** — For legislative history of D.C. Law 7-161, see Historical and Statutory Notes following § 47-812.

**Legislative history of Law 8-160.** — For legislative history of D.C. Law 8-160, see Historical and Statutory Notes following § 47-813.

**Legislative history of Law 8-172.** — For legislative history of D.C. Law 8-172, see Historical and Statutory Notes following § 47-812.

**Legislative history of Law 9-53.** — Law 9-53, the "Residential Property Tax Relief Act of 1977 Application Deadline and Free Clinic Assistance Program Act of 1986 Extension Temporary Amendment Act of 1991," was introduced in Council and assigned Bill No. 9-293. The Bill was adopted on first and second readings on September 11, 1991, and October 1, 1991, respectively. Signed by the Mayor on October 23, 1991, it was assigned Act No. 9-95 and transmitted to both Houses of Congress for its review. D.C. Law 9-53 became effective December 10, 1991.

**Legislative history of Law 9-56.** — Law 9-56, the "Revocable Trust Tax Exemption Amendment Act of 1991," was introduced in Council and assigned Bill No. 9-53, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on October 1, 1991, and November 5, 1991, respectively. Signed by the Mayor on November 25, 1991, it was assigned Act No. 9-99 and transmitted to both Houses of Congress for its review. D.C. Law 9-56 became effective on March 7, 1992.

**Legislative history of Law 9-177.** — For legislative history of D.C. Law 9-177, see Historical and Statutory Notes following § 47-812.

**Legislative history of Law 10-25.** — For legislative history of D.C. Law 10-25, see Historical and Statutory Notes following § 47-802.

**Legislative history of Law 10-68.** — For legislative history of D.C. Law 10-68, see Historical and Statutory Notes following § 47-813.

**Legislative history of Law 10-127.** — For legislative history of D.C. Law 10-127, see Historical and Statutory Notes following § 47-812.

**Legislative history of Law 10-255.** — For legislative history of D.C. Law 10-255, see Historical and Statutory Notes following § 47-818.01.

**Legislative history of Law 11-52.** — For legislative history of D.C. Law 11-52, see Historical and Statutory Notes following § 47-811.01.

**Legislative history of Law 11-110.** — For legislative history of D.C. Law 11-110, see His-

torical and Statutory Notes following § 47-825.01.

**Legislative history of Law 12-38.** — Law 12-38, the "Homestead Exemption Penalty Expansion Amendment Act of 1997," was introduced in Council and assigned Bill No. 12-179, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 17, 1997, and July 1, 1997, respectively. Signed by the Mayor on July 17, 1997, it was assigned Act No. 12-140 and transmitted to both Houses of Congress for its review. D.C. Law 12-38 became effective on October 23, 1997.

**Legislative history of Law 14-147.** — For Law 14-147, see notes following § 47-813.

**Legislative history of Law 15-105.** — For Law 15-105, see notes following § 47-340.22.

**Legislative history of Law 15-135.** — Law 15-135, the "Owner-Occupant Residential Tax Credit and Exemption Act of 2004," was introduced in Council and assigned Bill No. 15-303, which was referred to Committee on Finance and Revenue. The Bill was adopted on first and second readings on December 2, 2003, and January 21, 2004, respectively. Signed by the Mayor on February 6, 2004, it was assigned Act No. 15-350 and transmitted to both Houses of Congress for its review. D.C. Law 15-135 became effective on April 22, 2004.

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-308.01.

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Legislative history of Law 16-98.** — For Law 16-98, see notes following § 47-802.

**Legislative history of Law 17-20.** — For Law 17-20, see notes following § 47-305.02.

**Legislative history of Law 18-111.** — For Law 18-111, see notes following § 47-305.02.

**Short title.** — Short title of subtitle O of title I of Law 16-33: Section 1081 of D.C. Law 16-33 provided that subtitle O of title I of the act may be cited as the Real Property Tax Relief Act of 2005.

**Short title:** Section 7241 of D.C. Law 18-111 provided that subtitle V of title VII of the act may be cited as the "Revenue Enhancement Act of 2009".

**Effective date.** — Effectiveness and expiration of D.C. Law 16-98: Section 4 of D.C. Law 16-98 required that "this act shall take effect subject to the inclusion of its fiscal effect in an approved budget and financial plan; provided, that this act shall expire on October 1, 2006 if its fiscal effect has not been included in an approved budget and financial plan or in the Fiscal Year 2007 Budget Request Act of 2006."

The Budget Director of the Council of the District of Columbia has determined, as of November 2, 2007, that the fiscal effect of Law 16-98 had not been included in an approved budget and financial plan by October 1, 2006.



Therefore, the amendments made to this section by Law 16-98, have expired as if never in effect.

Section 6(b) of D.C. Law 6-153 provided that §§ 4 and 5 of this act shall take effect January 1, 1987.

**References in text.** — Pursuant to the Office of the Chief Financial Officer's "Notice of Public Interest" published in the April 18, 1997, issue of the District of Columbia Register (44 DCR 2345) the Office of Tax and Revenue assumed all of the duties and functions previously performed by the Department of Finance and Revenue, as set forth in Commissioner's Order 69-96, dated March 7, 1969. This action was made effective January 22, 1997, nunc pro tunc.

**Editor's notes.** — Section 1083 of D.C. Law 16-33 provided that § 1082(a)(1), (b), (d)(1), and (d)(2)(B) shall apply for taxable years beginning after September 30, 2005.

Applicability of D.C. Law 16-98: Section 3(a) of D.C. Law 16-98 provided: "(a) Section 2(a), (b), and (c) shall apply as of October 1, 2006."

Mayor authorized to issue rules: See Historical and Statutory Notes following § 47-813.

Section 6 of D.C. Law 9-56 provided that the Mayor shall, pursuant to subchapter I of Chapter 5 of Title 2, issue rules to implement the provisions of the act.

**Definitions applicable:** The definitions in § 47-803 apply to this section.

Section 3 of D.C. Law 14-147 provided that section 2 shall apply as of October 1, 2001, except insofar as the retroactive application results in an increase of tax to the real property or owner thereof.

Section 3 of Law 15-135 provided that § 2(a), (b), and (c)(3) of the act shall apply as of October 1, 2003.

### CASE NOTES

#### In general.

In apportionment of mixed use commercial property for real property taxation, mayor had authority to adopt regulation providing for conclusive presumption of full commercial use of property from fact alone of nonexcused failure to submit information to assist in apportionment of mixed use property. D.C. Code 1981, § 47-813(f); D.C. Mun.Reg. title 9, § 327.4. *District of Columbia v. Willard Assocs.*, 655 A.2d 1237, 1995 D.C. App. LEXIS 60 (1995).

Mayor's duty to apportion mixed use commercial property for real property taxation depends upon owner's submission of information about use which mayor deems necessary, at time and in form mayor may prescribe. D.C. Code 1981, § 47-813(f); D.C. Mun.Reg. title 9, § 327.4. *District of Columbia v. Willard Assocs.*, 655 A.2d 1237, 1995 D.C. App. LEXIS 60 (1995).

Purpose of regulation providing for conclusive presumption of full commercial use of property from fact alone of nonexcused failure to submit information to assist in apportionment of mixed use property was to insure that Department of Finance and Revenue had reliable, current information about uses of property to assist in apportionment. D.C. Mun.Reg. title 9, § 327.4. *District of Columbia v. Willard Assocs.*, 655 A.2d 1237, 1995 D.C. App. LEXIS 60 (1995).

Regulation providing for conclusive presumption of full commercial use of property from fact alone of nonexcused failure to submit information to assist in apportionment of mixed use property served valid purpose of making operation of real property tax system workable without imposing undue burden on tax collectors. D.C. Mun.Reg. title 9, § 327.4. *District of Columbia v. Willard Assocs.*, 655 A.2d 1237, 1995 D.C. App. LEXIS 60 (1995).

## § 47-850.01. Residential property tax relief — Homestead deduction for cooperative housing associations.

(a) For purposes of levying the real property tax during a tax year, the Mayor shall deduct from the assessed value of the real property owned by a cooperative housing association, as determined under § 47-820.01, \$67,500, increased annually, beginning October 1, 2012, by the cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next lowest multiple of \$50), for each homestead located therein. The deduction shall be apportioned equally between each installment during a tax year and shall not be carried forward or carried back.

(b) The cooperative housing association shall only receive a deduction for

one homestead of a shareholder or member, even though he or she may occupy more than one dwelling unit. The cooperative housing association shall not receive a deduction for a homestead if the basis of the deduction is another person in the household of the shareholder or member. Only one person in the household of the shareholder or member shall be entitled to claim a homestead in the District.

(c) In order for the cooperative housing association to qualify a dwelling unit as a homestead and receive the deduction, the shareholder or member shall complete and file with the Mayor an application in a form prescribed by the Mayor. The shareholder or member shall certify, under penalty of perjury, the information provided on the application form and the application form shall be filed in the manner prescribed by the Mayor. The Mayor may require the shareholder or member to submit any information which the Mayor considers necessary, including the taxpayer identification numbers of the shareholder or member, any other person with an ownership or membership interest, and any person in the household of the shareholder or member. The Mayor may also require the shareholder or member, any other person with an ownership or membership interest, and any person in the household of the shareholder or member to submit information after the homestead has been qualified to determine whether the cooperative housing association remains entitled to the deduction for the homestead for the dwelling unit.

(d) The Mayor may require the officers or managers of the cooperative housing association to distribute the application forms to its shareholders or members and to collect the completed application forms from such shareholders or members for return to the Mayor. Officers and managers of a cooperative housing association shall supply such other information as the Mayor may require.

(e) If a properly completed and approved application is filed during the period October 1 through March 31 of the tax year, the cooperative housing association shall receive the deduction for the entire tax year. Notwithstanding subsection (a) of this section, if a properly completed and approved application is filed during the period April 1 through September 30 the cooperative housing association shall receive  $\frac{1}{2}$  of the deduction for the second installment only.

(June 25, 2002, D.C. Law 14-147, § 2(e), 49 DCR 4219; Mar. 13, 2004, D.C. Law 15-105, § 80(c)(1), 51 DCR 881; Apr. 22, 2004, D.C. Law 15-135, § 2(b), 51 DCR 1843; Dec. 7, 2004, D.C. Law 15-205, § 1162(d), 51 DCR 8441; Oct. 20, 2005, D.C. Law 16-33, § 1082(b), 52 DCR 7503; May 12, 2006, D.C. Law 16-98, § 2(c), 53 DCR 1869; Sept. 18, 2007, D.C. Law 17-20, § 1032(c), 54 DCR 7052; Mar. 3, 2010, D.C. Law 18-111, § 7241(b), 57 DCR 181.)

**Effect of amendments.** — D.C. Law 15-105, in the section name line, validated a previously made technical correction.

D.C. Law 15-135, in subsec. (a), substituted “\$38,000” for “\$30,000”.

D.C. Law 15-205 rewrote subsec. (a) which had read as follows: “(a) For purposes of levying the real property tax during a tax year, the Mayor shall deduct from the assessed value of

the real property owned by a cooperative housing association, as determined under § 47-820.01, \$38,000 for each homestead located therein. The deduction shall be apportioned equally between each installment during a tax year and shall not be carried forward or carried back.”

D.C. Law 16-33 substituted “\$60,000” for “\$38,000”.



D.C. Law 16-98, in subsec. (a)(1), substituted “\$63,000, increased annually, beginning October 1, 2007, by the cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next lowest multiple of \$50),” for “\$60,000”.

D.C. Law 17-20, in subsec. (a)(1), substituted “\$64,000, increased annually, beginning October 1, 2008, by the cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next lowest multiple of \$50),” for “\$60,000”.

D.C. Law 18-111 rewrote subsec. (a).

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2(d) of Owner-Occupant Residential Tax Credit and Homestead Deductions Temporary Act of 2004 (D.C. Law 15-159, May 18, 2004, law notification 51 DCR 5699).

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 2(e) of Homestead and Senior Citizen Real Property Tax Temporary Act of 2001 (D.C. Law 14-92, March 19, 2002, law notification 49 DCR 2997).

**Emergency legislation.** — For temporary (90 day) addition of section, see § 2(e) of Homestead and Senior Citizen Real Property Tax Emergency Act of 2001 (D.C. Act 14-190, November 29, 2001, 48 DCR 11219).

For temporary (90 day) amendment of section, see § 2(d) of Owner-Occupant Residential Tax Credit and Homestead Deduction Clarification Emergency Act of 2004 (D.C. Act 15-374, February 24, 2004, 51 DCR 2618).

For temporary (90 day) amendment of section, see § 1162(d) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) amendment of section, see § 1162(d) of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

For temporary (90 day) amendment of section, see §§ 1082(b), 1083 of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

For temporary (90 day) amendment of section, see § 1032(c) of Fiscal Year 2008 Budget Support Emergency Act of 2007 (D.C. Act 17-74, July 25, 2007, 54 DCR 7549).

For temporary (90 day) amendment of section, see § 7111(b) of Fiscal Year 2010 Budget Support Emergency Act of 2009 (D.C. Act 18-187, August 26, 2009, 56 DCR 7374).

For temporary (90 day) amendment of section, see § 7241(b) of Fiscal Year 2010 Budget Support Second Emergency Act of 2009 (D.C. Act 18-207, October 15, 2009, 56 DCR 8234).

For temporary (90 day) amendment of section, see § 7241(b) of Fiscal Year Budget Support Congressional Review Emergency Amendment Act of 2009 (D.C. Act 18-260, January 4, 2010, 57 DCR 345).

**Legislative history of Law 14-147.** — For Law 14-147, see notes following § 47-813.

**Legislative history of Law 15-105.** — For Law 15-105, see notes following § 47-340.22.

**Legislative history of Law 15-135.** — For Law 15-135, see notes following § 47-850.

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-308.01.

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Legislative history of Law 16-98.** — For Law 16-98, see notes following § 47-802.

**Legislative history of Law 17-20.** — For Law 17-20, see notes following § 47-305.02.

**Legislative history of Law 18-111.** — For Law 18-111, see notes following § 47-305.02.

**Effective date.** — The Budget Director of the Council of the District of Columbia has determined, as of November 2, 2007, that the fiscal effect of Law 16-98 had not been included in an approved budget and financial plan by October 1, 2006. Therefore, the amendments made to this section by Law 16-98, have expired as if never in effect.

**Editor’s notes.** — Section 3 of D.C. Law 14-147 provided that section 2 shall apply as of October 1, 2001, except insofar as the retroactive application results in an increase of tax to the real property or owner thereof.

Section 3 of Law 15-135 provided that § 2(a), (b), and (c)(3) of the act shall apply as of October 1, 2003.

Section 1083 of D.C. Law 16-33 provided that § 1082(a)(1), (b), (d)(1), and (d)(2)(B) shall apply for taxable years beginning after September 30, 2005.

Applicability of D.C. Law 16-98: Section 3(a) of D.C. Law 16-98 provided: “(a) Section 2(a), (b), and (c) shall apply as of October 1, 2006.”

Effectiveness and expiration of D.C. Law 16-98: Section 4 of D.C. Law 16-98 required that “this act shall take effect subject to the inclusion of its fiscal effect in an approved budget and financial plan; provided, that this act shall expire on October 1, 2006 if its fiscal effect has not been included in an approved budget and financial plan or in the Fiscal Year 2007 Budget Request Act of 2006.”

**§ 47-850.02. Residential property tax relief — One-time filing, notification of change in eligibility, liability for tax, audit.**

(a) The application form filed by the individual, shareholder, or member shall apply to the initial tax year, or applicable installment, and to any succeeding tax year thereafter for which the deduction is allowed.

(b)(1) If a real property no longer qualifies as a homestead, the applicant (or current owner if there is no applicant) shall notify the Mayor of the date of the change in eligibility within 30 days after the change in eligibility. If the applicant (or current owner if there is no applicant) fails to notify timely, the deduction shall be rescinded without limitation for each tax year. Penalty and interest shall be added from the day the correct amount of tax was due but not paid.

(2) Notwithstanding paragraph (1) of this subsection, if the real property is transferred and continued to qualify as a homestead 30 days or less before the date of execution of the deed of transfer, the applicant shall not be required to notify the Mayor of the change in eligibility.

(3) If the tax is paid within 30 days of the corresponding bill, timely notification of the change in eligibility shall preclude assessment of penalty and interest.

(4) If the change in eligibility occurs during the period October 1 through March 31 of the tax year, the real property shall not be entitled to any deduction during the tax year.

(5) Notwithstanding §§ 47-850(a) and 47-850.01(a), if the change in eligibility occurs during the period April 1 through September 30, the real property shall be entitled to  $\frac{1}{2}$  of the deduction, which shall be applied to the first installment only.

(6)(A) Notwithstanding the rescission of the deduction pursuant to paragraphs (4) and (5) of this subsection, if all of the applicant's ownership interest in the real property is transferred to a new owner, shareholder, or member who does not apply or qualify for the deduction, the real property shall be entitled to the apportioned amount of the deduction applicable to the installment payable during the half tax year during which the ownership interest was transferred. At the end of such half tax year, the deduction shall cease.

(B) If the applicant purchases another real property or interest in a housing cooperative for which he or she shall make application for the deduction, and the application and purchase occurs during the same half tax year when the transfer occurred, §§ 47-850(d), 47-850.01(b), and 47-850.04 shall not apply to the extent that both real properties may benefit from the deduction during that half tax year and, thereafter, only the newly purchased real property or housing cooperative in which the applicant acquired newly an interest shall benefit from the applicant's deduction.

(C) Notwithstanding the foregoing, a real property shall not benefit from more than one deduction in any half tax year; provided, that in the case of a housing cooperative, the real property shall not benefit from more than one deduction related to a dwelling unit in any half tax year.



(b-1) A denial of the deduction shall be subject to the provisions of § 47-813(d-1)(3A) to the same extent as an appeal of a Class 3 classification.

(c) If real property tax is owing as a result of an erroneous or improper deduction, the following shall apply:

(1) Except in the case of cooperative housing associations, if the real property was transferred, the applicant or former owner, and not the real property shall be personally liable for the amount of the delinquent real property tax which was not paid timely during the period when the applicant or former owner had an ownership interest in the homestead, together with interest and penalty at the same rate as provided in this chapter for the late payment of real property tax. The tax shall be considered due on the date that the total amount of real property tax was due but unpaid and shall be collected in the manner prescribed under Chapter 44.

(2) Notwithstanding paragraph (1) of this subsection, if the homestead was transferred and the grantee failed to record timely a deed under § 47-1431 (or other evidence of the transfer in the case of a cooperative housing association), the real property shall be liable for the amount of the delinquent real property tax which was not timely paid, together with interest and penalty as provided in this chapter for the late payment of real property tax.

(3) In all other cases, the real property shall be liable for the amount of the delinquent real property tax which was not paid timely, together with interest and penalty as provided in this chapter for the late payment of real property tax.

(d)(1) The Mayor may contract with a collection agency inside or outside of the District to verify the contents of any application form or return for the purposes of determining the eligibility of any homestead.

(2) All funds collected by the collection agency and belonging to the District shall be remitted to the Mayor not less than once a month. Forms to be utilized for the remittances may be prescribed by the Mayor. The Mayor may require that the collection agency furnish a bond securing compliance with the provisions of this subsection and the contract with the District.

(3) At the discretion of the Mayor:

(A) The collection agency may charge a collection fee not in excess of 25% of the total amount of the delinquent taxes, excluding penalties and interest, that is actually collected; or

(B) The collection agency may be remunerated by fee, percentage of taxes collected, or both.

(4) Notwithstanding any other provision contained in this title, confidential information related to the owner of the real property may be provided to a collection agency for purposes of collecting a delinquent tax under this chapter. If the information is provided to a collection agency under this subsection, the collection agency shall not disclose the information to a third party, other than the owner (or his or her representative), unless the Mayor would be authorized by law to make the disclosure. A collection agency, or employee of a collection agency, violating the provisions of this subsection shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than \$1,000, or imprisoned for not more than 180 days, or both. All prosecutions under this

paragraph shall be brought in the Superior Court of the District of Columbia on information by the Attorney General for the District of Columbia in the name of the District of Columbia.

(June 25, 2002, D.C. Law 14-147, § 2(e), 49 DCR 4219; June 5, 2003, D.C. Law 14-307, § 1303(e), 49 DCR 11664; Mar. 13, 2004, D.C. Law 15-105, § 80(c)(2), 51 DCR 881; Apr. 13, 2005, D.C. Law 15-354, § 73(b)(5), 52 DCR 2638; Aug. 15, 2008, D.C. Law 17-216, § 4(d), 55 DCR 7500; Mar. 25, 2009, D.C. Law 17-345, § 2(c), 56 DCR 962; July 13, 2012, D.C. Law 19-155, § 2(c), 59 DCR 5590.)

**Effect of amendments.** — D.C. Law 14-307 added subsec. (b-1).

D.C. Law 15-105, in the section name line, validated a previously made technical correction.

D.C. Law 15-354 substituted “Attorney General for the District of Columbia” for “Corporation Counsel”.

D.C. Law 17-216, in subsec. (b-1), substituted “an appeal of a Class 3 classification” for “a reclassification”.

D.C. Law 17-345, in subsec. (b), substituted “applicant (or current owner if there is no applicant)” for “applicant” in par. (1), deleted “(for which notification is required under this subsection)” following “eligibility” in pars. (4) and (5), and added par. (6); and, in subsec. (c)(1), substituted “applicant or former owner, and not the real property” for “applicant” the first time it appears and substituted “applicant or former owner” for “applicant” the second time it appears.

D.C. Law 19-155 rewrote subsec. (b-1), which formerly read:

“(b)(1) If a real property no longer qualifies as a homestead, the applicant (or current owner if there is no applicant) shall notify the Mayor of the date of the change in eligibility within 30 days after the change in eligibility. If the applicant (or current owner if there is no applicant) fails to notify timely, the deduction shall be rescinded without limitation for each tax year. Penalty and interest shall be added from the day the correct amount of tax was due but not paid.”

**Temporary Amendment of Section.** — Section 2(a) of D.C. Law 16-257, in subsec. (b), in par. (1), substituted “applicant (or current owner if there is no applicant)” for “applicant” throughout, in pars. (4) and (5), deleted “(for which notification is required under this subsection)”, and added par. (6) to read as follows:

“(6) Notwithstanding the rescission of the deduction pursuant to paragraphs (4) and (5) of this subsection, if all of the applicant’s ownership interest in the real property is transferred to a new owner, shareholder, or member who does not apply or qualify for the deduction, the real property shall be entitled to the apportioned amount of the deduction applicable to

the installment payable during the half tax year during which the ownership interest was transferred. At the end of such half tax year, the deduction shall cease. If the applicant purchases another real property or interest in a housing cooperative for which he or she shall make application for the deduction, and the application and purchase occurs during the same half tax year when the transfer occurred, §§ 47-850(d), 47-850.01(b), and 47-850.04 shall not apply to the extent that both real properties may benefit from the deduction during that half tax year and, thereafter, only the newly purchased real property or housing cooperative in which the applicant acquired newly an interest shall benefit from the applicant’s deduction. Notwithstanding the foregoing, a real property shall not benefit from more than one deduction in any half tax year; provided, that in the case of a housing cooperative, the real property shall not benefit from more than one deduction related to a dwelling unit in any half tax year.”; and, in subsec. (c)(1), substituted “applicant (or former owner if there is no applicant)” for “applicant” throughout.

Section 5(b) of D.C. Law 16-257 provided that the act shall expire after 225 days of its having taken effect.

Section 4(c) of D.C. Law 16-259, in subsec. (b-1), substituted “an appeal of a Class 3 classification” for “a reclassification”.

Section 7(b) of D.C. Law 16-259 provided that the act shall expire after 225 days of its having taken effect.

Section 2(c) of D.C. Law 17-72, in subsec. (b), substituted “applicant (or current owner if there is no applicant)” for “applicant” throughout par. (1), deleted “(for which notification is required under this subsection)” in pars. (4) and (5), and added par. (6) to read as follows:

“(6)(A) Notwithstanding the rescission of the deduction pursuant to paragraphs (4) and (5) of this subsection, if all of the applicant’s ownership interest in the real property is transferred to a new owner, shareholder, or member who does not apply or qualify for the deduction, the real property shall be entitled to the apportioned amount of the deduction applicable to the installment payable during the half tax year during which the ownership interest was



transferred. At the end of such half tax year, the deduction shall cease.

“(B) If the applicant purchases another real property or interest in a housing cooperative for which he or she shall make application for the deduction, and the application and purchase occurs during the same half tax year when the transfer occurred, §§ 47-850(d), 47-850.01(b), and 47-850.04 shall not apply to the extent that both real properties may benefit from the deduction during that half tax year and, thereafter, only the newly purchased real property or housing cooperative in which the applicant acquired newly an interest shall benefit from the applicant’s deduction.

“(C) Notwithstanding the foregoing, a real property shall not benefit from more than one deduction in any half tax year; provided, that in the case of a housing cooperative, the real property shall not benefit from more than one deduction related to a dwelling unit in any half tax year.”; and in subsec. (c)(1), substituted “applicant or former owner, and not the real property” for “applicant” the first time it appears, and “applicant or former owner” for “applicant” the second time it appears.

Section 5(b) of D.C. Law 17-72 provided that the act shall expire after 225 days of its having taken effect.

Section 4(c) of D.C. Law 17-102, in subsec. (b-1), substituted “an appeal of a Class 3 classification” for “a reclassification”.

Section 7(b) of D.C. Law 17-102 provided that the act shall expire after 225 days of its having taken effect.

Section 2(c) of D.C. Law 17-295, in subsec. (b), substituted “applicant (or current owner if there is no applicant)” for “applicant” in par. (1), deleted “(for which notification is required under this subsection)” in pars. (4) and (5), and added par. (6) to read as follows:

“(6)(A) Notwithstanding the rescissions of the deduction pursuant to paragraphs (4) and (5) of this subsection, if all of the applicant’s ownership interest in the real property is transferred to a new owner, shareholder, or member who does not apply or qualify for the deduction, the real property shall be entitled to the apportioned amount of the deduction applicable to the installment payable during the half tax year during which the ownership interest was transferred. At the end of such half tax year, the deduction shall cease.

“(B) If the applicant purchases another real property or interest in a housing cooperative for which he or she shall make application for the deduction, and the application and purchase occurs during the same half tax year when the transfer occurred, §§ 47-850(d), 47-850.01(b), and 47-850.04 shall not apply to the extent that both real properties may benefit from the deduction during that half tax year and, thereafter, only the newly purchased real property or

housing cooperative in which the applicant acquired newly an interest shall benefit from the applicant’s deduction.

“(C) Notwithstanding the foregoing, a real property shall not benefit from more than one deduction in any half tax year; provided, that in the case of a housing cooperative, the real property shall not benefit from more than one deduction related to a dwelling unit in any half tax year.”; and, in subsec. (c)(1), substituted “applicant or former owner, and not the real property” for “applicant” the first time it appears and substituted “applicant or former owner” for “applicant” the second time it appears.

Section 5(b) of D.C. Law 17-295 provided that the act shall expire after 225 days of its having taken effect.

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 2(e) of Homestead and Senior Citizen Real Property Tax Temporary Act of 2001 (D.C. Law 14-92, March 19, 2002, law notification 49 DCR 2997).

**Emergency legislation.** — For temporary (90 day) addition of section, see § 2(e) of Homestead and Senior Citizen Real Property Tax Emergency Act of 2001 (D.C. Act 14-190, November 29, 2001, 48 DCR 11219).

For temporary (90 day) amendment of section, see §§ 1303(e) and 1304 of Fiscal Year 2003 Budget Support Amendment Emergency Act of 2002 (D.C. Act 14-544, December 4, 2002, 49 DCR 11700).

For temporary (90 day) amendment of section, see §§ 1303(e) and 1304 of the Fiscal Year 2003 Budget Support Amendment Congressional Review Emergency Act of 2003 (D.C. Act 15-27, February 24, 2003, 50 DCR 2151).

For temporary (90 day) amendment of section, see §§ 1303(e) and 1304 of Fiscal Year 2003 Budget Support Amendment Second Congressional Review Emergency Act of 2003 (D.C. Act 15-103, June 20, 2003, 50 DCR 5499).

For temporary (90 day) amendment of section, see § 2(a) of Real Property Tax Benefits Revision Emergency Act of 2006 (D.C. Act 16-573, December 19, 2006, 54 DCR 18).

For temporary (90 day) amendment of section, see § 4(c) of Nuisance Properties Abatement Reform and Real Property Classification Emergency Amendment Act of 2006 (D.C. Act 16-586, December 28, 2006, 54 DCR 353).

For temporary (90 day) amendment of section, see § 2(c) of Real Property Tax Benefits Revision Emergency Act of 2007 (D.C. Act 17-145, October 17, 2007, 54 DCR 10748).

For temporary (90 day) amendment of section, see § 4(c) of Nuisance Properties Abatement Reform and Real Property Classification Emergency Amendment Act of 2007 (D.C. Act 17-173, November 2, 2007, 54 DCR 11204).

For temporary (90 day) amendment of section, see § 2(c) of Real Property Tax Benefits Revision Congressional Review Emergency Act of 2008 (D.C. Act 17-435, July 16, 2008, 55 DCR 8268).

For temporary (90 day) amendment of section, see § 4(c) of Nuisance Properties Abatement Reform and Real Property Classification Congressional Review Emergency Act of 2008 (D.C. Act 17-436, July 16, 2008, 55 DCR 8272).

For temporary (90 day) amendment of section, see § 2(c) of Real Property Tax Benefits Revision Emergency Act of 2008 (D.C. Act 17-547, October 24, 2008, 55 DCR 11975).

**Legislative history of Law 14-147.** — For Law 14-147, see notes following § 47-813.

**Legislative history of Law 14-307.** — For Law 14-307, see notes following § 47-368.01.

**Legislative history of Law 15-105.** — For Law 15-105, see notes following § 47-340.22.

**Legislative history of Law 15-354.** — For Law 15-354, see notes following § 47-340.03.

**Legislative history of Law 17-216.** — For Law 17-216, see notes following § 47-812.

**Legislative history of Law 17-345.** — For Law 17-345, see notes following § 47-845.02.

**Legislative history of Law 19-155.** — For history of Law 19-155, see notes under § 47-825.01a.

**Editor's notes.** — Application of Law 14-307: Section 1304 of D.C. Law 14-307 provided: "Sections 1302 and 1303 shall apply as of October 1, 2002."

Section 3 of D.C. Law 14-147 provided that section 2 shall apply as of October 1, 2001, except insofar as the retroactive application results in an increase of tax to the real property or owner thereof.

Section 3 of D.C. Law 17-345 provided:

"Sec. 3. Applicability. (a) Section 2(c)(1)(A) and (B), (c)(2), (e)(1)(A) and (B), and (e)(2) shall apply fo

"(b) Section 2(c)(1)(C) and (e)(1)(C) shall apply as of January 2, 2007.

## § 47-850.03. Residential property tax relief — Transfer of homestead to revocable trust.

The eligibility of a real property for the deduction provided in §§ 47-850 and 47-850.01 and for the credit provided in § 47-864.01 [repealed] shall not be affected by the transfer of the real property into a revocable trust if the transfer is without consideration and the real property remains the residence of the applicant-grantor before and after the transfer.

(June 25, 2002, D.C. Law 14-147, § 2(e), 49 DCR 4219; Mar. 13, 2004, D.C. Law 15-105, § 80(c)(3), 51 DCR 881; Mar. 25, 2009, D.C. Law 17-345, § 2(d), 56 DCR 962.)

**Effect of amendments.** — D.C. Law 15-105, in the section name line, validated a previously made technical correction.

D.C. Law 17-345 substituted "47-850.01 and for the credit provided in § 47-864.01" for "47-850.01".

**Temporary Amendment of Section.** — Section 2(d) of D.C. Law 17-72 substituted "47-850.01 and for the credit provided in § 47-864.01" for "47-850.01".

Section 5(b) of D.C. Law 17-72 provided that the act shall expire after 225 days of its having taken effect.

Section 2(d) of D.C. Law 17-295 substituted "47-850.01 and for the credit provided in § 47-864.01" for "47-850.01".

Section 5(b) of D.C. Law 17-295 provided that the act shall expire after 225 days of its having taken effect.

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 2(e) of Homestead and Senior Citizen Real Property Tax Temporary Act of 2001 (D.C. Law

14-92, March 19, 2002, law notification 49 DCR 2997).

**Emergency legislation.** — For temporary (90 day) addition of section, see § 2(e) of Homestead and Senior Citizen Real Property Tax Emergency Act of 2001 (D.C. Act 14-190, November 29, 2001, 48 DCR 11219).

For temporary (90 day) amendment of section, see § 2(d) of Real Property Tax Benefits Revision Emergency Act of 2007 (D.C. Act 17-145, October 17, 2007, 54 DCR 10748).

For temporary (90 day) amendment, see § 2(d) of Real Property Tax Benefits Revision Congressional Review Emergency Act of 2008 (D.C. Act 17-435, July 16, 2008, 55 DCR 8268).

For temporary (90 day) amendment of section, see § 2(d) of Real Property Tax Benefits Revision Emergency Act of 2008 (D.C. Act 17-547, October 24, 2008, 55 DCR 11975).

**Legislative history of Law 14-147.** — For Law 14-147, see notes following § 47-813.

**Legislative history of Law 15-105.** — For Law 15-105, see notes following § 47-340.22.



**Legislative history of Law 17-345.** — For Law 17-345, see notes following § 47-845.02.

**Editor's notes.** — Section 3 of D.C. Law 14-147 provided that section 2 shall apply as of

October 1, 2001, except insofar as the retroactive application results in an increase of tax to the real property or owner thereof.

### § 47-850.04. Residential property tax relief — No homestead when multiple homesteads claimed.

If an individual, shareholder or member claims more than one homestead in the same tax year, and has not timely notified the Mayor of all changes in eligibility, the Mayor shall disallow the deduction for all homesteads claimed by the individual, shareholder, or member.

(June 25, 2002, D.C. Law 14-147, § 2(e), 49 DCR 4219; Mar. 13, 2004, D.C. Law 15-105, § 80(c)(4), 51 DCR 881.)

**Effect of amendments.** — D.C. Law 15-105, in the section name line, validated a previously made technical correction.

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 2(e) of Homestead and Senior Citizen Real Property Tax Temporary Act of 2001 (D.C. Law 14-92, March 19, 2002, law notification 49 DCR 2997).

**Emergency legislation.** — For temporary (90 day) addition of section, see § 2(e) of Homestead and Senior Citizen Real Property Tax

Emergency Act of 2001 (D.C. Act 14-190, November 29, 2001, 48 DCR 11219).

**Legislative history of Law 14-147.** — For Law 14-147, see notes following § 47-813.

**Legislative history of Law 15-105.** — For Law 15-105, see notes following § 47-340.22.

**Editor's notes.** — Section 3 of D.C. Law 14-147 provided that section 2 shall apply as of October 1, 2001, except insofar as the retroactive application results in an increase of tax to the real property or owner thereof.

## § 47-851. Residential property tax relief — Report on assessment changes for highest assessed properties. [Repealed].

Repealed.

(Feb. 28, 1978, D.C. Law 2-45, § 6, 24 DCR 3614; Mar. 3, 1979, D.C. Law 2-130, § 7(c), 25 DCR 2517; June 14, 1994, D.C. Law 10-127, § 3(b), 41 DCR 2050; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 25, 2002, D.C. Law 14-147, § 2(f), 49 DCR 4219.)

**Prior Codifications.** — 1981 Ed., § 47-851. 1973 Ed., § 47-659.2.

**Temporary Repeal of Section.** — For temporary (225 day) repeal of section, see § 2(f) of Homestead and Senior Citizen Real Property Tax Temporary Act of 2001 (D.C. Law 14-92, March 19, 2002, 49 DCR 2997).

**Emergency legislation.** — For temporary (90 day) repeal of section, see §§ 2(f), 3 of Homestead and Senior Citizen Real Property Tax Emergency Act of 2001 (D.C. Act 14-190, November 29, 2001, 48 DCR 11219).

For temporary (90 day) repeal of section, see § 2(f) of Homestead and Senior Citizen Real Property Tax Legislative Review Emergency Act of 2001 (D.C. Act 14-226, January 8, 2002, 49 DCR 668).

**Legislative history of Law 2-45.** — For legislative history of D.C. Law 2-45, see Historical and Statutory Notes following § 47-849.

**Legislative history of Law 2-130.** — For legislative history of D.C. Law 2-130, see Historical and Statutory Notes following § 47-803.

**Legislative history of Law 10-127.** — For legislative history of D.C. Law 10-127, see Historical and Statutory Notes following § 47-812.

**Legislative history of Law 14-147.** — For Law 14-147, see notes following § 47-813.

**Editor's notes.** — Definitions applicable: The definitions in § 47-803 apply to this section.

Section 3 of D.C. Law 14-147 provided that section 2 shall apply as of October 1, 2001, except insofar as the retroactive application

results in an increase of tax to the real property or owner thereof.

## § 47-852. Residential property tax relief—Report on exemptions and deductions [Repealed].

Repealed.

(Feb. 28, 1978, D.C. Law 2-45, § 7, 24 DCR 3614; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 25, 2002, D.C. Law 14-147, § 2(f), 49 DCR 4219.)

**Prior Codifications.** — 1981 Ed., § 47-852. 1973 Ed., § 47-659.3.

**Temporary Repeal of Section.** — For temporary (225 day) repeal of section, see § 2(f) of Homestead and Senior Citizen Real Property Tax Temporary Act of 2001 (D.C. Law 14-92, March 19, 2002, law notification 49 DCR 2997).

**Emergency legislation.** — For temporary (90 day) repeal of section, see §§ 2(f), 3 of Homestead and Senior Citizen Real Property Tax Emergency Act of 2001 (D.C. Act 14-190, November 29, 2001, 48 DCR 11219).

For temporary (90 day) amendment of section, see § 2(f) of Homestead and Senior Citizen

Real Property Tax Legislative Review Emergency Act of 2001 (D.C. Act 14-226, January 8, 2002, 49 DCR 668).

**Legislative history of Law 2-45.** — For legislative history of D.C. Law 2-45, see Historical and Statutory Notes following § 47-849.

**Legislative history of Law 14-147.** — For Law 14-147, see notes following § 47-813.

**Editor's notes.** — Section 3 of D.C. Law 14-147 provided that: "Section 2 shall apply as of October 1, 2001, except insofar as the retroactive application results in an increase of tax to the real property or owner thereof."

## § 47-853. Residential property tax relief—Authorized annual adjustments [Repealed].

Repealed.

(Feb. 28, 1978, D.C. Law 2-45, § 8, 24 DCR 3614; June 14, 1994, D.C. Law 10-127, § 3(c), 41 DCR 2050; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 25, 2002, D.C. Law 14-147, § 2(f), 49 DCR 4219.)

**Prior Codifications.** — 1981 Ed., § 47-853. 1973 Ed., § 47-659.4.

**Temporary Repeal of Section.** — For temporary (225 day) repeal of section, see § 2(f) of Homestead and Senior Citizen Real Property Tax Temporary Act of 2001 (D.C. Law 14-92, March 19, 2002, 49 DCR 2997).

**Emergency legislation.** — For temporary (90 day) repeal of section, see §§ 2(f), 3 of Homestead and Senior Citizen Real Property Tax Emergency Act of 2001 (D.C. Act 14-190, November 29, 2001, 48 DCR 11219).

For temporary (90 day) repeal of section, see § 2(f) of Homestead and Senior Citizen Real Property Tax Legislative Review Emergency

Act of 2001 (D.C. Act 14-226, January 8, 2002, 49 DCR 668).

**Legislative history of Law 2-45.** — For legislative history of D.C. Law 2-45, see Historical and Statutory Notes following § 47-849.

**Legislative history of Law 10-127.** — For legislative history of D.C. Law 10-127, see Historical and Statutory Notes following § 47-812.

**Legislative history of Law 14-147.** — For Law 14-147, see notes following § 47-813.

**Editor's notes.** — Section 3 of D.C. Law 14-147 provided that section 2 shall apply as of October 1, 2001, except insofar as the retroactive application results in an increase of tax to the real property or owner thereof.

## § 47-854. Residential property tax relief—Forms, procedures and regulations [Repealed].

Repealed.

(Feb. 28, 1978, D.C. Law 2-45, § 9, 24 DCR 3614; enacted, Apr. 9, 1997, D.C.



Law 11-254, § 2, 44 DCR 1575; June 25, 2002, D.C. Law 14-147, § 2(f), 49 DCR 4219.)

**Prior Codifications.** — 1981 Ed., § 47-854. 1973 Ed., § 47-659.5.

**Temporary Repeal of Section.** — For temporary (225 day) repeal of section, see § 2(f) of Homestead and Senior Citizen Real Property Tax Temporary Act of 2001 (D.C. Law 14-92, March 19, 2002, law notification 49 DCR 2997).

**Emergency legislation.** — For temporary (90 day) repeal of section, see §§ 2(f), 3 of Homestead and Senior Citizen Real Property Tax Emergency Act of 2001 (D.C. Act 14-190, November 29, 2001, 48 DCR 11219).

For temporary (90 day) repeal of section, see § 2(f) of Homestead and Senior Citizen Real

Property Tax Legislative Review Emergency Act of 2001 (D.C. Act 14-226, January 8, 2002, 49 DCR 668).

**Legislative history of Law 2-45.** — For legislative history of D.C. Law 2-45, see Historical and Statutory Notes following § 47-849.

**Legislative history of Law 14-147.** — For Law 14-147, see notes following § 47-813.

**Editor's notes.** — Section 3 of D.C. Law 14-147 provided that section 2 shall apply as of October 1, 2001, except insofar as the retroactive application results in an increase of tax to the real property or owner thereof.

## § 47-855. Residential property tax relief—Applicability of provisions. [Repealed].

Repealed.

(Feb. 28, 1978, D.C. Law 2-45, § 12, 24 DCR 3614; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 25, 2002, D.C. Law 14-147, § 2(f), 49 DCR 4219.)

**Prior Codifications.** — 1981 Ed., § 47-855. 1973 Ed., § 47-659.6.

**Temporary Repeal of Section** — For temporary (225 day) repeal of section, see § 2(f) of Homestead and Senior Citizen Real Property Tax Temporary Act of 2001 (D.C. Law 14-92, March 19, 2002, law notification 49 DCR 2997).

**Emergency legislation.** — For temporary (90 day) repeal of section, see §§ 2(f), 3 of Homestead and Senior Citizen Real Property Tax Emergency Act of 2001 (D.C. Act 14-190, November 29, 2001, 48 DCR 11219).

For temporary (90 day) repeal of section, see § 2(f) of Homestead and Senior Citizen Real

Property Tax Legislative Review Emergency Act of 2001 (D.C. Act 14-226, January 8, 2002, 49 DCR 668).

**Legislative history of Law 2-45.** — For legislative history of D.C. Law 2-45, see Historical and Statutory Notes following § 47-849.

**Legislative history of Law 14-147.** — For Law 14-147, see notes following § 47-813.

**Editor's notes.** — Section 3 of D.C. Law 14-147 provided that section 2 shall apply as of October 1, 2001, except insofar as the retroactive application results in an increase of tax to the real property or owner thereof.

## § 47-856. Residential property tax relief—Severability of provisions. [Repealed].

Repealed.

(Feb. 28, 1978, D.C. Law 2-45, § 11, 24 DCR 3614; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 25, 2002, D.C. Law 14-147, § 2(f), 49 DCR 4219.)

**Prior Codifications.** — 1981 Ed., § 47-856. 1973 Ed., § 47-659.7.

**Temporary Repeal of Section.** — For temporary (225 day) repeal of section, see § 2(f) of Homestead and Senior Citizen Real Property Tax Temporary Act of 2001 (D.C. Law 14-92, March 19, 2002, law notification 49 DCR 2997).

**Emergency legislation.** — For temporary (90 day) repeal of section, see §§ 2(f), 3 of Homestead and Senior Citizen Real Property Tax Emergency Act of 2001 (D.C. Act 14-190, November 29, 2001, 48 DCR 11219).

For temporary (90 day) repeal of section, see § 2(f) of Homestead and Senior Citizen Real

Property Tax Legislative Review Emergency Act of 2001 (D.C. Act 14-226, January 8, 2002, 49 DCR 668).

**Legislative history of Law 2-45.** — For legislative history of D.C. Law 2-45, see Historical and Statutory Notes following § 47-849.

**Legislative history of Law 14-147.** — For Law 14-147, see notes following § 47-813.

**Editor's notes.** — Section 3 of D.C. Law 14-147 provided that section 2 shall apply as of October 1, 2001, except insofar as the retroactive application results in an increase of tax to the real property or owner thereof.

## § 47-857.01. Tax abatements for new residential developments — Definitions.

For the purposes of §§ 47-857.01 through 47-857.10, the term:

(1)(A) “Area median income” means:

(i) For a household of 4 persons, the area median income for a household of 4 persons in the Washington Metropolitan Statistical Area as set forth in the periodic calculation provided by the United States Department of Housing and Urban Development;

(ii) For a household of 3 persons, 90% of the area median income for a household of 4 persons;

(iii) For a household of 2 persons, 80% of the area median income for a household of 4 persons;

(iv) For a household of one person, 70% of the area median income for a household of 4 persons; and

(v) For a household of more than 4 persons, the area median income for a household of 4 persons, increased by 10% of the area median income for a family of 4 persons for each household member exceeding 4 persons (e.g., the area median income for a family of 5 shall be 110% of the area median income for a family of 4; the area median income for a household of 6 shall be 120% of the area median income for a family of 4).

(B) Any percentage of household income referenced in §§ 47-857.01 through 47-857.10 (e.g., 80% of household income) shall be determined through a direct mathematical calculation and shall not take into account any adjustments made by the United States Department of Housing and Urban Development for the purposes of the programs it administers.

(2) “Eligible area #1” means:

(A) Real property within or with a street frontage in the area known as Downtown, as described in section 199 of Title 10 of the District of Columbia Municipal Regulations (10 DCMR § 199) and as designated on the District of Columbia Generalized Land Use Policies Map; and

(B) Real property with a street frontage in the area bounded by and including New Hampshire Avenue, N.W., to the west, Delaware Avenue, N.E., to the east, Pennsylvania Avenue, N.W., to the south, and Massachusetts Avenue, N.W. and N.E., to the north, that is zoned C-4, C-5, or SP.

(3) “Eligible area #2” means Housing Priority Area A, as described in 11 DCMR § 1706.8;

(4) “Eligible area #3” means:

(A) Census tracts where the average rent for one-bedroom and 2-bedroom apartments exceeds median rent in the District, as determined by the



Mayor after an analysis of the economic conditions and development pressures in the geographic area, by 20% or more; and

(B) Geographic areas in which it is unlikely that new or rehabilitated housing with rents of less than 120% of the median rent for the District will be produced, as determined by the Mayor.

(4A) "Eligible area #4" means all real property in Lots 35 and 803 (and any subsequent subdivision or division of those lots) and the alley in between them in Square 2910.

(5) "Eligible real property" means real property that:

(A) Is classified, in whole or in part, as Class 1 or Class 2 property under § 47-813(c-3), or would be so classified but for the operation of § 47-813(c-5) [(c-5) repealed];

(B) Is improved by new structures or undergoes rehabilitation, as the term "rehabilitation" is defined in 10 of the District of Columbia Municipal Regulations 10 DCMR § 399; and

(C) Has 10 or more units devoted to residential use.

(6) "Extremely low-income household" means a household consisting of one or more persons with a household income equal to 30% or less of the area median income.

(7) "Household income" shall have the same meaning as "household gross income" in § 47-1806.06.

(8) "Low-income household" means a household consisting of one or more individuals with a household income equal to, or less than, 80% of the area median income and greater than 50% of the area median income.

(9) "Very low-income household" means a household consisting of one or more individuals with a household income equal to, or less than, 50% of the area median income.

(Apr. 19, 2002, D.C. Law 14-114, § 601(b), 49 DCR 1468; Oct. 19, 2002, D.C. Law 14-213, § 33(h), 49 DCR 8140; Apr. 4, 2003, D.C. Law 14-282, § 11(k), 50 DCR 896; Dec. 7, 2004, D.C. Law 15-205, § 2032, 51 DCR 8441; Mar. 6, 2007, D.C. Law 16-226, § 2(a), 53 DCR)

**Effect of amendments.** — D.C. Law 14-213, in par. (2)(B), substituted "C-4, C-5, or SP-1" for "C-4 or C-5"; and in par. (7), substituted "§ 47-1806.06" for "§ 47-1806.06(b)(2)".

D.C. Law 14-282 rewrote par. (2)(A) which had read as follows: "(A) Downtown, as described in 10 DCMR § 199 and as designated on the District of Columbia Generalized Land Use Policies Map; and"

D.C. Law 15-205, in subpar. (B) of par. (2), substituted "SP" for "SP-1"; and rewrote par. (4).

D.C. Law 16-226 added par. (4A).

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 12(l) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(l) of Tax Clarity and Related

Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

For temporary (225 day) amendment of section, see § 2 of Tax Abatement for New Residential Developments Definition Clarification Temporary Act of 2003 (D.C. Law 15-44, December 9, 2003, law notification 50 DCR 1779).

Section 2(b) of D.C. Law 16-201 added par. (4A) to read as follows:

"(4A) 'Eligible Area #4' means all real property in Square 2910 fronting on Georgia Avenue, N.W., Taylor Street, N.W., or Kansas Avenue, N.W."

Section 6(b) of D.C. Law 16-201 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 12(l) of Tax Clarity and Recorder of Deeds Emergency

Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 12(l) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(l) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

For temporary (90 day) amendment of section, see § 2 of Tax Abatement for New Residential Developments Definition Clarification Emergency Act of 2003 (D.C. Act 15-119, July 29, 2003, 50 DCR 6610).

For temporary (90 day) amendment of section, see § 2 of Tax Abatement for New Residential Developments Definition Clarification Congressional Review Emergency Amendment Act of 2003 (D.C. Act 15-222, November 7, 2003, 50 DCR 10055).

For temporary (90 day) amendment of section, see § 2032 of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) amendment of section, see § 2032 of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

For temporary (90 day) amendment of section, see § 2(b) of Square 2910 Residential Development Stimulus Emergency Act of 2006 (D.C. Act 16-471, July 31, 2006, 53 DCR 6778).

For temporary (90 day) amendment of section, see § 2(b) of Square 2910 Residential Development Stimulus Congressional Review Emergency Act of 2006 (D.C. Act 16-521, October 27, 2006, 53 DCR 9117).

For temporary (90 day) amendment of section, see § 2(a) of Square 2910 Residential

Development Stimulus Second Congressional Review Emergency Act of 2006 (D.C. Act 16-669, December 28, 2006, 54 DCR 1146).

**Legislative history of Law 14-114.** — Law 14-114, the “Housing Act of 2002”, was introduced in Council and assigned Bill No. 14-183, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on December 4, 2001, and January 8, 2002, respectively. Signed by the Mayor on February 6, 2002, it was assigned Act No. 14-267 and transmitted to both Houses of Congress for its review. D.C. Law 14-114 became effective on April 19, 2002.

**Legislative history of Law 14-213.** — For Law 14-213, see notes following § 47-820.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-405.

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-308.01.

**Legislative history of Law 16-226.** — Law 16-226, the “Square 2910 Residential Development Stimulus Act of 2006”, was introduced in Council and assigned Bill No. 16-658, which was referred to Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 14, 2006, and December 5, 2006, respectively. Signed by the Mayor on December 19, 2006, it was assigned Act No. 16-555 and transmitted to both Houses of Congress for its review. D.C. Law 16-226 became effective on March 6, 2007.

**Short title.** — Short title of subtitle C of title II of Law 15-205: Section 2031 of D.C. Law 15-205 provided that subtitle C of title II of the act may be cited as the Housing Tax Abatement Act of 2004.

**Editor’s notes.** — Section 1101 of D.C. Law 14-114 provided: “The Mayor, pursuant to Title I of the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1204; D.C. Official Code § 2-501 et seq.), shall promulgate rules to implement this act.”

## § 47-857.02. Tax abatements for new residential developments — Requirements for tax abatements for new residential developments.

(a) Subject to subsection (b), (c), (d), and (e) of this section and to the tax abatement limits imposed by § 47-857.09, a property shall receive a tax abatement under § 47-857.03, § 47-857.04, § 47-857.05, § 47-857.06, § 47-857.07, or § 47-857.08 if:

(1) The owner or other authorized person receives:

(A) A final building permit for the mechanical, electrical, plumbing, and heating, ventilation, and air conditioning systems for the building’s superstructure; or

(B) A letter from both the building architect and the Mayor certifying that the first level of concrete has been laid and the building has received a



building permit for both the building's sheeting, shoring, and excavation work and the building's foundation to grade structural work;

(2) The owner or other authorized person requests a certification letter from the Mayor stating that the property and project are eligible for the applicable tax abatement and that the Mayor has reserved a tax abatement for the property in the authorized amount;

(3) The Mayor transmits to the owner or other authorized person the certification letter requested under paragraph (2) of this subsection; and

(4)(A) The building permit for the project's superstructure is received after April 30, 2001; or

(B) If the property is located in eligible area #1, before the Mayor certifies the tax abatement, the last of the building excavation and sheeting and shoring permits are received after January 1, 2001.

(b) A tax abatement shall not be allowed under § 47-857.03, § 47-857.04, § 47-857.05, § 47-857.06, § 47-857.07, or § 47-857.08 unless the owner or other authorized person satisfies paragraphs (a)(1) and (a)(2) of this section on or before:

(1) December 31, 2003, if the property is located in eligible area #1;

(2) December 31, 2005, if the property is located in eligible area #2;

(3) December 31, 2004, if the property is located in eligible area #3; or

(4) December 31, 2008, if the property is located in eligible area #4.

(c) A tax abatement shall not be allowed under § 47-857.03, § 47-857.04, § 47-857.05, § 47-857.06, § 47-857.07, or § 47-857.08:

(1) Unless the first level of concrete for the project has not been laid within 6 months after the date the certification letter is transmitted by the Mayor under paragraph (a)(3) of this section, if certification was requested under paragraph (a)(1)(A) of this section; or

(2) If the project does not receive a certificate of occupancy within 30 months after the date the certification letter is transmitted by the Mayor under paragraph (a)(3) of this section; provided, that the Mayor may extend the 30-month period for up to 6 months if the building's construction has reached grade, as certified by the project architect and the Mayor.

(d) A project which is financed in any part under subchapter IX of Chapter 12 of Title 2 [§ 2-1217.01 et seq.] shall not be eligible to receive a tax abatement under § 47-857.03, § 47-857.04, § 47-857.05, § 47-857.06, § 47-857.07, or § 47-857.08.

(e) A property which receives relief under § 42-3508.02 shall not be eligible to receive a tax abatement under § 47-857.03, § 47-857.04, § 47-857.05, § 47-857.06, § 47-857.07, or § 47-857.08.

(f) The Mayor shall, as nearly as practicable, review requests for certification in the order in which they were received and without regard to the type of tax abatement for which certification is requested.

(Apr. 19, 2002, D.C. Law 14-114, § 601(b), 49 DCR 1468; Oct. 19, 2002, D.C. Law 14-213, § 33(i), 49 DCR 8140; Mar. 13, 2004, D.C. Law 15-105, § 81(a), 51 DCR 881; Mar. 6, 2007, D.C. Law 16-226, § 2(b), 53 DCR 10238.)

**Effect of amendments.** — D.C. Law 14-213, in subsec. (a), substituted “§ 47-857.07” for “§ 47-857.07f”; and in subsec. (e), substituted “§ 42-3508.02” for “§ 45-3508.02”.

D.C. Law 15-105, in subsec. (d), validated a previously made technical correction.

D.C. Law 16-226, in subsec. (b), deleted “or” at the end of par. (2), substituted “; or” for the period in par. (3), and added par. (4).

**Temporary Amendment of Section.** — Section 2(c) of D.C. Law 16-201, in subsec. (b), deleted “or” at the end of par. (2), substituted “; or” for the period in par. (3), and added par. (4).

“(4) December 31, 2008, if the property is located in eligible area #4.”

Section 6(b) of D.C. Law 16-201 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2(c) of Square 2910 Residential Development Stimu-

lus Emergency Act of 2006 (D.C. Act 16-471, July 31, 2006, 53 DCR 6778).

For temporary (90 day) amendment of section, see § 2(c) of Square 2910 Residential Development Stimulus Congressional Review Emergency Act of 2006 (D.C. Act 16-521, October 27, 2006, 53 DCR 9117).

For temporary (90 day) amendment of section, see § 2(b) of Square 2910 Residential Development Stimulus Second Congressional Review Emergency Act of 2006 (D.C. Act 16-669, December 28, 2006, 54 DCR 1146).

**Legislative history of Law 14-114.** — For Law 14-114, see notes following § 47-857.01.

**Legislative history of Law 14-213.** — For Law 14-213, see notes following § 47-820.

**Legislative history of Law 15-105.** — For Law 15-105, see notes following § 47-340.22.

**Legislative history of Law 16-226.** — For Law 16-226, see notes following § 47-857.01.

## § 47-857.03. Tax abatements for new residential developments — Tax abatement for all new housing projects downtown.

Subject to § 47-857.02, there shall be allowed as an abatement of the real property tax imposed by § 47-811 on an eligible real property in eligible area #1 an amount computed as follows: \$0.81 per residential FAR square foot, multiplied by the building’s total residential FAR square footage as certified by the project architect and the Mayor; provided, that:

(1) If a project does not use concrete construction throughout the building or does not include underground parking, the per residential FAR square foot tax abatement shall be determined by the Mayor and shall be determined so that the total tax abatement is estimated to be equal to 45% of the difference between the residential real property tax imposed on the project by § 47-811 before and after development.

(2) The tax abatement for an eligible real property allowed by this section shall expire at the end of the 10th tax year after the tax year in which a certificate of occupancy is issued for the property.

(3) If, during a tax year for which the tax abatement is authorized by this section, the property for which the abatement was granted contains fewer than 10 dwelling units, the abatement shall not be allowed.

(Apr. 19, 2002, D.C. Law 14-114, § 601(b), 49 DCR 1468.)

**Legislative history of Law 14-114.** — For Law 14-114, see notes following § 47-857.01.

## § 47-857.04. Tax abatements for new residential developments — Tax abatement for all new housing projects in Housing Priority Area.

(a) With respect to any project for which the owner or its designee satisfies



§ 47-857.02(a)(1) and (2) on or before September 30, 2004, and subject to § 47-857.02, there shall be allowed as an abatement of the real property tax imposed by § 47-811 on an eligible real property in eligible area #2 an amount computed as follows: \$1.10 per residential FAR square foot, multiplied by the building's total residential FAR square footage as certified by the project architect and the Mayor; provided, that:

(1) If a project does not use concrete construction throughout the building or does not include underground parking, the per residential FAR square foot tax abatement shall be determined by the Mayor and shall be determined so that the total tax abatement is estimated to be equal to 60% of the difference between the residential real property tax imposed on the project by § 47-811 before and after development.

(2) The tax abatement for an eligible real property allowed by this section shall expire at the end of the 10th tax year after the tax year in which a certificate of occupancy is issued for the property.

(3) If, during a tax year for which the tax abatement is authorized by this section, the property for which the abatement was granted contains fewer than 10 dwelling units, the abatement shall not be allowed.

(b)(1) For the purposes of this subsection, the term "downtown area" means:

(A) The area described in section 199 of title 10 of the District of Columbia Municipal Regulations (10 DCMR § 199) and designated on the District of Columbia Generalized Land Use Policies Map; and

(B) Eligible area #2.

(2) If a project eligible for the real property tax abatement under this section breaks ground on or after January 1, 2005 (as certified by the project architect and the Mayor), the tax abatement may be applied, assigned, conveyed, or otherwise transferred ("transferred") by the owner of the real property or project (or by the owner's designee) and the time period at which the tax abatement commences may be delayed until the transfer and shall continue for 10 years after the date of transfer; provided, that:

(A) The tax abatement shall be \$0.89 per rentable, or usable, residential FAR square foot of the eligible real property; provided, that if the project known as Quincy Court, located at 1117 10th Street, N.W., requests participation under § 47-857.04(b) by a letter to the Deputy Mayor for Planning and Economic Development, or his or her successor, prior to December 31, 2005, the tax abatement shall be \$0.905 per rentable, or usable, residential FAR square foot of the eligible real property;

(B) The tax abatement may be transferred by the owner:

(i) To reduce real property taxes imposed upon any residential project in the downtown area or eligible area #2; or

(ii) To reduce real property taxes imposed upon any commercial project in the downtown area or eligible area #2; and

(3) The tax abatement may be transferred within:

(A) Five years after receipt by the eligible project of a final certificate of occupancy issued for the entirety of the project; or

(B) Within one year after the final certificate of occupancy is issued for the project to which the abatement is transferred.

(c) The Mayor shall be deemed to have certified the groundbreaking if the Deputy Mayor for Planning and Economic Development, or his or her successor, issues a letter certifying the groundbreaking or 20 business days pass after the date of the receipt of a request for the certification by the Deputy Mayor for Planning and Economic Development, or his or her successor, from the project developer; provided, that the request includes a certification by the project architect of the groundbreaking date of the residential project and the Deputy Mayor for Planning and Economic Development, or his or her successor, does not reject the request or request further information.

(Apr. 19, 2002, D.C. Law 14-114, § 601(b), 49 DCR 1468; Apr. 12, 2005, D.C. Law 15-329, § 2(a), 52 DCR 1975; Apr. 7, 2006, D.C. Law 16-91, § 103(a), 52 DCR 10637; Mar. 2, 2007, D.C. Law 16-191, § 109(a), 53 DCR 6794.)

**Effect of amendments.** — D.C. Law 15-329 designated the existing text as subsec. (a); in subsec. (a), substituted “With respect to any project for which the owner or its designee satisfies § 47-857.02(a)(1) and (2) on or before December 31, 2004, and subject to” for “Subject to”; and added subsec. (b).

D.C. Law 16-91, in subsec. (a), substituted “September 30, 2004” for “December 31, 2004”; added subsec. (c); and rewrote subsec. (b).

D.C. Law 16-191 rewrote subsec. (b)(3)(A) which read as follows: “(A) Five years after receipt by the eligible project of a final certificate of occupancy is issued for the entirety of the project,”

**Temporary Amendment of Section.** — Section 2(a) of D.C. Law 16-7, in subsec. (a), substituted “September 30, 2004” for “December 31, 2004”; and rewrote subsec. (b) and added subsec. (c) to read as follows:

“(b)(1) For the purposes of this subsection, the term “downtown area” means:

“(A) The area described in section 199 of Title 10 of the District of Columbia Municipal Regulations (10 DCMR § 199) and designated on the District of Columbia Generalized Land Use Policies Map; and

“(B) Eligible area #2.

“(2) If a project eligible for the real property tax abatement under this section breaks ground on or after January 1, 2005 (as certified by the project architect and the Mayor), the tax abatement may be applied, assigned, conveyed, or otherwise transferred (“transferred”) by the owner of the real property or project (or by the owner’s designee) and the time period at which the tax abatement commences may be delayed until the transfer and shall continue for 10 years after the date of transfer; provided, that:

“(A) The tax abatement shall be \$0.89 per rentable, or usable, residential FAR square foot of the eligible real property; provided, that if the project known as Quincy Court, located at 1117 10th Street, N.W., requests participation under § 47-857.04(b) by a letter to the Deputy

Mayor for Planning and Economic Development, or his or her successor, prior to December 31, 2005, the tax abatement shall be \$0.905 per rentable, or usable, residential FAR square foot of the eligible real property;

“(B) The tax abatement may be transferred by the owner:

“(i) To reduce real property taxes imposed upon any residential project in the downtown area or eligible area #2; or

“(ii) To reduce real property taxes imposed upon any commercial project in the downtown area or eligible area #2; and

“(3) The tax abatement may be transferred within:

“(A) Five years after receipt by the eligible project of a final certificate of occupancy is issued for the entirety of the project;

“(B) Within one year after the final certificate of occupancy is issued for the project to which the abatement is transferred.”

“(c) The Mayor shall be deemed to have certified the groundbreaking if the Deputy Mayor for Planning and Economic Development, or his or her successor, issues a letter certifying the groundbreaking or 20 business days pass after the date of the receipt of a request for the certification by the Deputy Mayor for Planning and Economic Development, or his or her successor, from the project developer; provided, that the request includes a certification by the project architect of the groundbreaking date of the residential project and the Deputy Mayor for Planning and Economic Development, or his or her successor, does not reject the request or request further information.”

Section 6(b) of D.C. Law 16-7 provided that the act shall expire after 225 days of its having taken effect.

Section 2(b) of D.C. Law 16-102, in subsec. (a), substituted “September 30, 2004” for “December 31, 2004”; and rewrote subsec. (b) and added subsec. (c) to read as follows:

“(b)(1) For the purposes of this subsection, the term “downtown area” means:



“(A) The area described in section 199 of title 10 of the District of Columbia Municipal Regulations (10 DCMR § 199) and designated on the District of Columbia Generalized Land Use Policies Map; and

“(B) Eligible area #2.

“(2) If a project eligible for the real property tax abatement under this section breaks ground on or after January 1, 2005 (as certified by the project architect and the Mayor), the tax abatement may be applied, assigned, conveyed, or otherwise transferred (“transferred”) by the owner of the real property or project (or by the owner’s designee) and the time period at which the tax abatement commences may be delayed until the transfer and shall continue for 10 years after the date of transfer; provided, that:

“(A) The tax abatement shall be \$0.89 per rentable, or usable, residential FAR square foot of the eligible real property; provided, that if the project known as Quincy Court, located at 1117 10th Street, N.W., requests participation under § 47-857.04(b) by a letter to the Deputy Mayor for Planning and Economic Development, or his or her successor, prior to December 31, 2005, the tax abatement shall be \$0.905 per rentable, or usable, residential FAR square foot of the eligible real property;

“(B) The tax abatement may be transferred by the owner:

“(i) To reduce real property taxes imposed upon any residential project in the downtown area or eligible area #2; or

“(ii) To reduce real property taxes imposed upon any commercial project in the downtown area or eligible area #2; and

“(3) The tax abatement may be transferred within:

“(A) Five years after receipt by the eligible project of a final certificate of occupancy issued for the entirety of the project; or”.

“(B) Within one year after the final certificate of occupancy is issued for the project to which the abatement is transferred.

“(c) The Mayor shall be deemed to have certified the groundbreaking if the Deputy Mayor for Planning and Economic Development, or his or her successor, issues a letter certifying the groundbreaking or 20 business days pass after the date of the receipt of a request for the certification by the Deputy Mayor for Planning and Economic Development, or his or her successor, from the project developer; provided, that the request includes a certification by the project architect of the

groundbreaking date of the residential project and the Deputy Mayor for Planning and Economic Development, or his or her successor, does not reject the request or request further information.”

Section 11(b) of D.C. Law 16-102 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2(a) of Finance and Revenue Technical Corrections Emergency Amendment Act of 2005 (D.C. Act 16-51, March 17, 2005, 52 DCR 3164).

For temporary (90 day) amendment of section, see § 2(b) of Finance and Revenue Technical Amendments Emergency Amendment Act of 2006 (D.C. Act 16-260, January 26, 2006, 53 DCR 780).

For temporary (90 day) amendment of section, see § 2(b) of Finance and Revenue Technical Amendments Congressional Review Emergency Amendment Act of 2006 (D.C. Act 16-361, April 26, 2006, 53 DCR 3619).

For temporary (90 day) amendment of section, see § 25(a) of Finance and Revenue Technical Amendments Second Emergency Amendment Act of 2006 (D.C. Act 16-585, December 28, 2006, 54 DCR 340).

**Legislative history of Law 14-114.** — For Law 14-114, see notes following § 47-857.01.

**Legislative history of Law 15-329.** — Law 15-329, the “Tax Abatement Adjustment for Housing Priority Area Act of 2004”, was introduced in Council and assigned Bill No. 15-1070, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on December 7, 2004, and December 21, 2004, respectively. Signed by the Mayor on January 19, 2005, it was assigned Act No. 15-738 and transmitted to both Houses of Congress for its review. D.C. Law 15-329 became effective on April 12, 2005.

**Legislative history of Law 16-91.** — Law 16-91, the “Technical Amendments Act of 2005”, was introduced in Council and assigned Bill No. 16-477 which was referred to the Committee on the Whole. The Bill was adopted on first and second readings on November 1, 2005, and November 15, 2005, respectively. Signed by the Mayor on November 30, 2005, it was assigned Act No. 16-212 and transmitted to both Houses of Congress for its review. D.C. Law 16-91 became effective on April 7, 2006.

**Legislative history of Law 16-191.** — For Law 16-191, see notes following § 47-308.02.

## § 47-857.05. Tax abatements for new residential developments — Tax abatement for new, mixed-income housing projects downtown.

(a) Subject to § 47-857.02, there shall be allowed as an abatement of the

real property tax imposed by § 47-811 on an eligible real property in eligible area #1 an amount computed as follows: \$1.38 per residential FAR square foot, multiplied by the building's total residential FAR square footage as certified by the project architect and the Mayor; provided, that:

(1) If a project does not use concrete construction throughout the building or does not include underground parking, the per residential FAR square foot tax abatement shall be determined by the Mayor and shall be determined so that the total tax abatement is estimated to be equal to 78% of the difference between the residential real property tax imposed on the project by § 47-811 before and after development.

(2) Ten percent of the housing units in the eligible real property shall be affordable to, and occupied by, low-income households for 20 years after the certificate of occupancy for the eligible real property is issued.

(3) The dwelling units occupied by low-income households shall be equivalent in size and quality to other dwelling units in the development.

(4) The variety of the sizes of dwelling units occupied by low-income households shall be reasonably similar to the variety of sizes of dwelling units in the eligible property as a whole.

(5) The tax abatement for an eligible real property allowed by this section shall expire at the end of the 10th tax year after the tax year in which a certificate of occupancy is issued for the eligible real property.

(6) If, during a tax year for which the tax abatement is authorized by this section, the property for which the abatement was granted contains fewer than 10 dwelling units, the abatement shall not be allowed.

(b) If, during one of the last 10 years of the 20-year period of affordability required by subsection (a)(2) of this section, 10% of the housing units are not affordable to, and occupied by, low-income households, the owner of the property shall be assessed a penalty of \$10,000 per year for each unit which should be, but is not, affordable to low-income households; provided, that the Mayor may waive the penalty upon a showing of good cause.

(c) The Mayor may require an owner to demonstrate that the rents and tenant income for the eligible real property are consistent with the requirements of the tax abatement. If the requirements are not met, the abatement shall not be allowed and the owner shall remit all taxes owed for the period of non-compliance.

(Apr. 19, 2002, D.C. Law 14-114, § 601(b), 49 DCR 1468; Mar. 13, 2004, D.C. Law 15-105, § 81(b), 51 DCR 881.)

**Effect of amendments.** — D.C. Law 15-105, in par. (1) of subsec. (a), validated a previously made technical correction.

**Legislative history of Law 14-114.** — For Law 14-114, see notes following § 47-857.01.

**Legislative history of Law 15-105.** — For Law 15-105, see notes following § 47-340.22.



**§ 47-857.06. Tax abatements for new residential developments — Tax abatement for new, mixed-income housing projects in Housing Priority Area A.**

(a) Subject to § 47-857.02, there shall be allowed as an abatement of the real property tax imposed by § 47-811 on an eligible real property in eligible area #2 an amount computed as follows: \$1.75 per residential FAR square foot, multiplied by the building's total residential FAR square footage as certified by the project architect; provided, that:

(1) If a project does not use concrete construction throughout the building or does not include underground parking, the per residential FAR square foot tax abatement shall be determined by the Mayor and shall be determined so that the total tax abatement is estimated to be equal to 95% of the difference between the residential real property tax imposed on the project by § 47-811 before and after development.

(2) Ten percent of the housing units in the eligible real property shall be affordable to, and occupied by, low-income households for 20 years after the certificate of occupancy for the eligible real property is issued.

(3) The dwelling units occupied by low-income households shall be equivalent in size and quality to other dwelling units in the development.

(4) The variety of the sizes of dwelling units occupied by low-income households shall be reasonably similar to the variety of sizes of dwelling units in the eligible property as a whole.

(5) The tax abatement for an eligible real property allowed by this section shall expire at the end of the 10th tax year after the tax year in which a certificate of occupancy is issued for the eligible real property.

(6) If, during a tax year for which the tax abatement is authorized by this section, the property for which the abatement was granted contains fewer than 10 dwelling units, the abatement shall not be allowed.

(b) If, during one of the last 10 years of the 20-year period of affordability required by subsection (a)(2) of this section, 10% of the housing units are not affordable to, and occupied by, low-income households, the owner of the property shall be assessed a penalty of \$10,000 per year for each unit which should be, but is not, affordable to low-income households; provided, that the Mayor may waive the penalty upon a showing of good cause.

(c) The Mayor may require an owner to demonstrate that the rents and tenant income for the eligible real property are consistent with the requirements of the tax abatement. If the requirements are not met, the abatement shall not be allowed and the owner shall remit all taxes owed for the period of non-compliance.

(d)(1) For the purposes of this subsection, the term:

(A) "K Street Building" means the portion of the Wax Museum project comprised of the building to be constructed on the site bounded on the south side by K Street, N.W., on the west side by 5th Street, N.W., on the north side by L Street, N.W., and on the east side by the alley running parallel to 5th Street, N.W.

(B) "L Street Building" means the portion of the Wax Museum project comprised of the building to be constructed on the portion of the property to be

disposed of pursuant to the RFP Resolution that is not included within the K Street Building.

(C) "RFP Resolution" means the Revised Request for Proposals for the Redevelopment of Parcel One, the Former Wax Museum Site Approval Resolution of 2003, introduced on June 13, 2003 (PR15-249).

(D) "Wax Museum developer" means the person (or any successor in interest) with which the District enters into an agreement for the disposition of the property on which the Wax Museum project will be constructed.

(E) "Wax Museum project" means the project constructed pursuant to the request for proposals in the RFP Resolution.

(2) Notwithstanding the provisions of § 47-857.02, there shall be allowed an abatement of \$664,000 per year of the real property tax imposed by § 47-811 on the Wax Museum project (to be allocated between the K Street Building and L Street Building as set forth in paragraph (4) of this subsection), and the Mayor shall issue to the Wax Museum developer certification letters stating that the property and buildings are eligible for the abatement and that the Mayor has reserved the abatement for the property and buildings in the allocated amounts; provided, that:

(A) With respect to the K Street Building:

(i) The first level of concrete for the K Street Building shall be laid by December 31, 2006, or such earlier date as may be set forth in an agreement between the Wax Museum developer and the National Capital Revitalization Corporation or RLA Revitalization Corporation;

(ii) A certificate of occupancy for the K Street Building shall have been issued within 36 months after the first level of concrete has been laid for the K Street Building, or such earlier date as may be set forth in an agreement between the Wax Museum developer and the National Capital Revitalization Corporation or RLA Revitalization Corporation; and

(iii) The K Street Building satisfies § 47-857.06(a)(2) through (4);

(B) With respect to the L Street Building:

(i) The first level of concrete for the L Street Building shall be laid within 18 months after the receipt by the Wax Museum developer of the Mayor's certification letter pertaining to the tax abatement for K Street Building, or such earlier date as may be set forth in an agreement between the Wax Museum developer and the National Capital Revitalization Corporation or RLA Revitalization Corporation;

(ii) A certificate of occupancy for the L Street Building shall have been issued within 30 months after the first level of concrete has been laid for the L Street Building, or such earlier date as may be set forth in an agreement between the Wax Museum developer and the National Capital Revitalization Corporation or RLA Revitalization Corporation; and

(iii) The L Street Building satisfies § 47-857.06(a)(2) through (4); and

(C) If the residential project known as Quincy Court, located at 1117 10th Street, N.W., requests participation under § 47-857.04(b) by a letter to the Deputy Mayor for Planning and Economic Development, or his or her successor, prior to December 31, 2005, the annual amount of the abatement of real property tax imposed by § 47-811 on the Wax Museum project (to be



allocated between the K Street Building and L Street Building as set forth in paragraph (4) of this subsection) shall be \$675,000.

(3) For each deadline set forth in paragraph (2) of this subsection, one 6-month extension may be granted at the discretion of the Mayor.

(4) The tax abatement allowed by this subsection shall be allocated between the K Street Building and the L Street Building based upon the election of the Wax Museum developer, which election shall be made by notification to the Mayor and the Office of Tax and Revenue upon the issuance of a certificate of occupancy for the 1st building to be completed.

(5) The tax abatement allowed by this subsection shall be included in and subject to the \$2 million abatement limit set forth in § 47-857.09(b).

(6)(A) The tax abatement allowed by this subsection for the K Street Building shall expire at the end of the 10th tax year after the tax year in which a certificate of occupancy is issued for the residential portion of the K Street Building.

(B) The tax abatement allowed by this subsection for the L Street Building shall expire at the end of the 10th tax year after the tax year in which a certificate of occupancy is issued for the residential portion of the L Street Building.

(Apr. 19, 2002, D.C. Law 14-114, § 601(b), 49 DCR 1468; Apr. 12, 2005, D.C. Law 15-329, § 2(b), 52 DCR 1975; Apr. 7, 2006, D.C. Law 16-91, § 103(b), 52 DCR 10637; Mar. 20, 2008, D.C. Law 17-125, § 2, 55 DCR 1518.)

**Effect of amendments.** — D.C. Law 15-329 added subsec. (d).

D.C. Law 16-91, in the lead-in language of subsec. (d)(2), substituted “there shall be allowed an abatement of \$664,000 per year of the real property tax imposed by § 47-811 on the Wax Museum project (to be allocated between the K Street Building and L Street Building as set forth in paragraph (4) of this subsection)” for “there shall be allowed an abatement of \$710,000 per year of the real property tax imposed by § 47-811 on the Wax Museum project (to be allocated between the K Street Building and L Street Building as set forth in paragraph (3) of this subsection)”; in subpar. (d)(2)(A)(iii), deleted the word “and” at the end; in subpar. (d)(2)(B)(iii), substituted “; and” for the period at the end; and added subpar. (d)(2)(C).

D.C. Law 17-125 rewrote subsec. (d)(4), which had read as follows: “(4) The tax abatement allowed by this subsection shall be allocated between the K Street Building and the L Street Building based upon the square footage dedicated to residential units in each building as certified by the Wax Museum project architect.”

**Temporary Amendment of Section.** — Section 2(b) of D.C. Law 16-7, in subsec. (d)(2), in the undesignated text, deleted “there shall be allowed an abatement of \$710,000 per year of the real property tax imposed by § 47-811 on

the Wax Museum project (to be allocated between the K Street Building and L Street Building as set forth in paragraph (3) of this subsection)” and inserted “there shall be allowed an abatement of \$664,000 per year of the real property tax imposed by § 47-811 on the Wax Museum project (to be allocated between the K Street Building and L Street Building as set forth in paragraph (4) of this subsection)”, in subpar. (A)(iii), deleted “and”, in subpar. (B)(iii), substituted “; and” for a period, and added subpar. (C) to read as follows:

“(C) If the residential project known as Quincy Court, located at 1117 10th Street, N.W., requests participation under § 47-857.04(b) by a letter to the Deputy Mayor for Planning and Economic Development, or his or her successor, prior to December 31, 2005, the annual amount of the abatement of real property tax imposed by § 47-811 on the Wax Museum project (to be allocated between the K Street Building and L Street Building as set forth in paragraph (4) of this subsection) shall be \$675,000.”

Section 6(b) of D.C. Law 16-7 provided that the act shall expire after 225 days of its having taken effect.

Section 2(c) of D.C. Law 16-102, in par. (d)(2), substituted “there shall be allowed an abatement of \$664,000 per year of the real property tax imposed by § 47-811 on the Wax Museum project (to be allocated between the K Street

Building and L Street Building as set forth in paragraph (4) of this subsection)” for “there shall be allowed an abatement of \$710,000 per year of the real property tax imposed by § 47-811 on the Wax Museum project (to be allocated between the K Street Building and L Street Building as set forth in paragraph (3) of this subsection); in subpar. (d)(2)(A)(iii), substituted “,” for “; and”; in subpar. (d)(2)(B)(iii), substituted “(4); and” for “(4).”; and added subpar. (d)(2)(C) to read as follows:

“(C) If the residential project known as Quincy Court, located at 1117 10th Street, N.W., requests participation under § 47-857.04(b) by a letter to the Deputy Mayor for Planning and Economic Development, or his or her successor, prior to December 31, 2005, the annual amount of the abatement of real property tax imposed by § 47-811 on the Wax Museum project (to be allocated between the K Street Building and L Street Building as set forth in paragraph (4) of this subsection) shall be \$675,000.”

Section 11(b) of D.C. Law 16-102 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2(b) of Finance and Revenue Technical Corrections Emergency Amendment Act of 2005 (D.C. Act 16-51, March 17, 2005, 52 DCR 3164).

For temporary (90 day) amendment of section, see § 2(c) of Finance and Revenue Technical Amendments Emergency Amendment Act of 2006 (D.C. Act 16-260, January 26, 2006, 53 DCR 780).

For temporary (90 day) amendment of section, see § 2(c) of Finance and Revenue Technical Amendments Congressional Review Emergency Amendment Act of 2006 (D.C. Act 16-361, April 26, 2006, 53 DCR 3619).

**Legislative history of Law 14-114.** — For Law 14-114, see notes following § 47-857.01.

**Legislative history of Law 15-329.** — For Law 15-329, see notes following § 47-857.04.

**Legislative history of Law 16-91.** — For Law 16-91, see notes following § 47-857.04.

**Legislative history of Law 17-125.** — Law 17-125, the “Wax Museum Project Tax Abatement Allocation Modification Amendment Act of 2008”, was introduced in Council and assigned Bill No. 17-343 which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on December 11, 2007, and January 8, 2008, respectively. Signed by the Mayor on January 29, 2008, it was assigned Act No. 17-274 and transmitted to both Houses of Congress for its review. D.C. Law 17-125 became effective on March 20, 2008.

## § 47-857.07. Tax abatements for new residential developments — Tax abatement for new, mixed-income housing projects in higher-cost and other qualified areas throughout the District of Columbia.

(a) Subject to § 47-857.02, there shall be allowed as an abatement of the real property tax imposed by § 47-811 on an eligible real property in eligible area #3 an amount computed as follows: 75% of the difference between the residential real property tax imposed by § 47-811 before and after development or a dollar amount based on criteria or formulas promulgated by the Mayor, pursuant to regulation, which equals approximately 75% of the difference between the residential real property tax imposed by § 47-811 before and after development; provided that:

(1) Five percent of the housing units in the eligible real property shall be affordable to, and occupied by, low-income households for 20 years after the certificate of occupancy for the eligible real property is issued.

(2) An additional 10% of the housing units in the eligible real property shall be affordable to, and occupied by, households with household incomes of 60% or less of the area median income for 20 years after the certificate of occupancy for the eligible real property is issued.

(3) The dwelling units occupied by low-income households and 60%-of-area-median-income households shall be equivalent in size and quality to other dwelling units in the development.



(4) The variety of the sizes of dwelling units occupied by low-income households and 60%-of-area-median-income households shall be reasonably similar to the variety of sizes of dwelling units in the eligible property as a whole.

(5) The tax abatement for an eligible real property allowed by this section shall expire at the end of the 10th tax year after the tax year in which a certificate of occupancy is issued for the eligible real property.

(6) If, during a tax year for which the tax abatement is authorized by this section, the property for which the abatement was granted contains fewer than 10 dwelling units, the abatement shall not be allowed.

(b) If, during one of the last 10 years of the 20-year period of affordability required by subsection (a)(1) of this section, the owner fails to comply with the unit set-aside requirements of subsection (a) of this section, the owner of the property shall be assessed a penalty of \$10,000 per year for each unit which does not meet the income or set-aside requirements; provided, that the Mayor may waive the penalty upon a showing of good cause.

(c) The Mayor may require an owner to demonstrate that the rents and tenant income for the eligible real property are consistent with the requirements of the tax abatement. If the requirements are not met, the abatement shall not be allowed and the owner shall remit all taxes owed for the period of non-compliance.

(d)(1) For the purposes of this subsection, the term:

(A) "4100 Georgia Avenue Developer" means:

(i) The person (or any successor in interest) who will develop or has developed the 4100 Georgia Avenue Project; and

(ii) Any subsequent owner or assignee of or successor in interest of the 4100 Georgia Avenue Project.

(B) "4100 Georgia Avenue Project" means the project constructed on Lots 35 and 803 (and any subsequent subdivision or division of those lots) and the alley in between them in Square 2910, consisting of affordable housing. The term "4100 Georgia Avenue Project" shall not include the portion of the project used for commercial purposes.

(C) "Affordable housing" means a housing unit which is rented to a household whose income does not exceed 60% of the area median income.

(2)(A) Notwithstanding the provisions of § 47-857.02, beginning on the date that a certificate of occupancy for the 4100 Georgia Avenue Project is issued, there shall be allowed an abatement of all of the real property tax imposed by § 47-811 on the 4100 Georgia Avenue Project if:

(i) The certificate of occupancy for the building shall have been issued on or before May 28, 2009; and

(ii) The building satisfies the provisions of § 47-857.06(a)(2), (3), and (4).

(B) If the conditions of subparagraph (A)(i) and (ii) of this paragraph are satisfied, the Mayor shall issue to the 4100 Georgia Avenue Developer a certification letter stating that the 4100 Georgia Avenue Project is eligible for the abatement and that the Mayor has reserved the abatement for the 4100 Georgia Avenue Project in the allocated amount. A copy of the certification

letter shall be sent to the Director of the Real Property Tax Administration of the Office of Tax and Revenue.

(C)(i) All of the housing units in the 4100 Georgia Avenue Project shall be affordable housing. If all of the housing units in the 4100 Georgia Avenue Project are not affordable housing, the abatement provided by this subsection shall terminate as of the beginning of the real property tax year in which all of the housing units in the 4100 Georgia Avenue Project are not affordable housing. If the abatement shall terminate, the tax, plus interest from the termination date, shall be due and payable 30 days after the date of the billing therefor.

(ii)(I) The Georgia Avenue Developer shall provide a certification of an independent certified public accounting firm to the Mayor and the Director of the Real Property Tax Administration of the Office of Tax and Revenue on or before October 1 of each year that all of the housing units in the 4100 Georgia Avenue Project are affordable housing:

(aa) As of October 1 of the preceding year; and

(bb) For the entire calendar year for the preceding year.

(II) If the Georgia Avenue Developer does not file timely the certification required by sub-sub-subparagraph (I) of this sub-subparagraph, the abatement provided by this subsection shall terminate as of October 1 of the preceding year and the tax, plus interest from the termination date, shall be due and payable 30 days after the date of billing therefor; provided, that the Director of the Real Property Tax Administration of the Office of Tax and Revenue may, in his discretion, grant an extension for such period as he considers reasonable.

(3) For each deadline set forth in paragraph (2)(A) and (B) of this subsection, one 6-month extension may be granted at the discretion of the Mayor.

(4) The abatement allowed by this subsection shall be included in and subject to the annual \$3.5 million abatement limit set forth in § 47-857.09(c).

(5) The abatement allowed by this subsection shall expire 40 years after the tax abatement takes effect.

(Apr. 19, 2002, D.C. Law 14-114, § 601(b), 49 DCR 1468; Mar. 6, 2007, D.C. Law 16-226, § 2(c), 53 DCR 10238.)

**Effect of amendments.** — D.C. Law 16-226 added subsec. (d).

**Temporary Amendment of Section.** — Section 2(a) of D.C. Law 16-201 added subsec. (d) to read as follows:

“(d)(1) Notwithstanding the provisions of § 47-857.02, there shall be allowed an exemption from all of the real property tax imposed by § 47-811 on the property in eligible area #4 owned by the 4100 Georgia Avenue developer and the Mayor shall issue to the 4100 Georgia Avenue developer certification letters stating that the property and buildings are eligible for the exemption and that the Mayor has reserved the exemption for the property and buildings in

the allocated amounts; provided, that, with respect to the 4100 Georgia Avenue project:

“(A) The first level of concrete shall be laid by December 31, 2007;

“(B) A certificate of occupancy for the building shall have been issued within 36 months after the first level of concrete has been laid for the building; and

“(C) The building satisfies the provisions of § 47-857.06(a)(2), (3), and (4).

“(2) For each deadline set forth in paragraph (1) of this subsection, one 6-month extension may be granted at the discretion of the Mayor.

“(3) The tax exemption allowed by this subsection shall be included in and subject to the



annual \$3.5 million abatement limit set forth in § 47-857.09(c).

“(4) The tax exemption allowed by this subsection for eligible area #4 shall expire when the tax exemption allowed for eligible area #4 has cumulatively amounted to \$3.3 million.

“(5) For the purposes of this subsection, the term:

“(A) ‘4100 Georgia Avenue developer’ means the person (or any successor in interest) who will develop or has developed a residential property on Lots 35 and 803 (and any subsequent subdivision or division of those lots) and the alley between them in Square 2910, and any subsequent owner or assignee of or successor in interest to the 4100 Georgia Avenue project. The term “4100 Georgia Avenue developer” shall not include any owner or operator of the first-floor commercial space, if such first-floor commercial space is sold as a condominium to an entity or person other than the 4100 Georgia Avenue developer.

“(B) ‘4100 Georgia Avenue project’ means the project constructed on Lots 35 and 803 (and any subsequent subdivision or division of those lots) and the alley between them in Square 2910, consisting of affordable housing and first-floor retail space.”

Section 6(b) of D.C. Law 16-201 provided that the act shall expire after 225 days of its having taken effect.

**Temporary Addition of Section.** — Section 3 of D.C. Law 16-201 added provisions to read as follows:

“Sec. 3. Financial imposition exemption for the 4100 Georgia Avenue, N.W., project.

“(a) Notwithstanding any other provisions of law, no fees shall be charged to the 4100 Georgia Avenue developer or any other owners or developers of the 4100 Georgia Avenue project for any permits related to the construction of the 4100 Georgia Avenue project, including private space or public permit fees or building permit fees (involving vault space rental).

“(b) For the purposes of this section, the term:

“(1) ‘4100 Georgia Avenue developer’ means the person (or any successor in interest) who will develop or has developed a residential property on Lots 35 and 803 (and any subsequent subdivision or division of those lots) and the alley between them in Square 2910.

“(2) ‘4100 Georgia Avenue project’ means the project constructed on Lots 35 and 803 (and any subsequent subdivision or division of those lots) and the alley between them in Square 2910, consisting of affordable housing and first-floor retail space.”

Section 6(b) of D.C. Law 16-201 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2(a) of

Square 2910 Residential Development Stimulus Emergency Act of 2006 (D.C. Act 16-471, July 31, 2006, 53 DCR 6778).

For temporary (90 day) enactment, see § 3 of Square 2910 Residential Development Stimulus Emergency Act of 2006 (D.C. Act 16-471, July 31, 2006, 53 DCR 6778).

For temporary (90 day) amendment of section, see § 2(a) of Square 2910 Residential Development Stimulus Congressional Review Emergency Act of 2006 (D.C. Act 16-521, October 27, 2006, 53 DCR 9117).

For temporary (90 day) enactment, see § 3 of Square 2910 Residential Development Stimulus Congressional Review Emergency Act of 2006 (D.C. Act 16-521, October 27, 2006, 53 DCR 9117).

For temporary (90 day) amendment of section, see § 2(c) of Square 2910 Residential Development Stimulus Second Congressional Review Emergency Act of 2006 (D.C. Act 16-669, December 28, 2006, 54 DCR 1146).

**Legislative history of Law 14-114.** — For Law 14-114, see notes following § 47-857.01.

**Legislative history of Law 16-226.** — For Law 16-226, see notes following § 47-857.01.

**Delegation of Authority.** — Delegation of Authority to the Deputy Mayor for Planning and Economic Development—Authority to Issue a Certification Letter Stating that the 4100 Georgia Avenue Project is Eligible for a Property Tax Abatement, see Mayor’s Order 2009-145, August 13, 2009 (56 DCR 7274).

**Editor’s notes.** — Financial imposition exemption for the 4100 Georgia Avenue, N.W. project: Section 3 of D.C. Law 16-226 provided:

“(a) For the purposes of this section, the term:

“(A) “4100 Georgia Avenue Developer” means:

“(i) The person (or any successor in interest) who will develop or has developed the 4100 Georgia Avenue Project; and

“(ii) Any subsequent owner or assignee of or successor in interest of the 4100 Georgia Avenue Project.

“(B) “4100 Georgia Avenue Project” means the project constructed on Lots 35 and 803 (and any subsequent subdivision or division of those lots) and the alley in between them in Square 2910, consisting of affordable housing and first-floor retail space.

“(b) Notwithstanding any other provision of law, no fees shall be charged to the 4100 Georgia Avenue Developer for any permits related to the construction of the 4100 Georgia Avenue Project, including private space or public permit fees or building permit fees (involving vault space rental). The exemption provided by this subsection shall not include condominium registration application fees or condominium conversion fees.”

**§ 47-857.08. Tax abatements for new residential developments — Tax abatement for new, very mixed-income housing projects in higher-cost and other qualified areas throughout the District of Columbia.**

(a) Subject to § 47-857.02, there shall be allowed as an abatement of the real property tax imposed by § 47-811 on an eligible real property in eligible area #3 an amount computed as follows: 100% of the difference between the residential real property tax imposed by § 47-811 before and after development or a dollar amount based on criteria or formulas promulgated by the Mayor, pursuant to regulation, which equals approximately 100% of the difference between the residential real property tax imposed by § 47-811 before and after development; provided, that:

(1) Five percent of the housing units in the eligible real property shall be affordable to, and occupied by, low-income households for 20 years after the certificate of occupancy for the eligible real property is issued.

(2) An additional 10% of the housing units in the eligible real property shall be affordable to, and occupied by, households with household incomes of 60% or less of the area median income for 20 years after the certificate of occupancy for the eligible real property is issued.

(3) An additional 5% of the housing units in the eligible real property shall be affordable to, and occupied by, extremely low-income households for 20 years after the certificate of occupancy for the eligible real property is issued.

(4) The dwelling units occupied by low-income households, 60%-of-area-median-income households, and extremely low-income households shall be equivalent in size and quality to other dwelling units in the development.

(5) The variety of the sizes of dwelling units occupied by low-income households, 60%-of-area-median-income households, and extremely low-income shall be reasonably similar to the variety of sizes of dwelling units in the eligible property as a whole.

(6) The tax abatement for an eligible real property allowed by this section shall expire at the end of the 10th tax year after the tax year in which a certificate of occupancy is issued for the eligible real property.

(7) If, during a tax year for which the tax abatement is authorized by this section, the property for which the abatement was granted contains fewer than 10 dwelling units, the abatement shall not be allowed.

(b) If, during one of the last 10 years of the 20-year period of affordability required by subsection (a)(1) of this section, the owner fails to comply with the unit set-aside requirements of subsection (a) of this section, the owner of the property shall be assessed a penalty of \$10,000 per year for each unit which does not meet the income or set-aside requirements; provided, that the Mayor may waive the penalty upon a showing of good cause.

(c) The Mayor may require an owner to demonstrate that the rents and tenant income for the eligible real property are consistent with the requirements of the tax abatement. If the requirements are not met, the abatement shall not be allowed and the owner shall remit all taxes owed for the period of non-compliance.



(Apr. 19, 2002, D.C. Law 14-114, § 601(b), 49 DCR 1468.)

**Legislative history of Law 14-114.** — For Law 14-114, see notes following § 47-857.01.

## § 47-857.09. Tax abatements for new residential developments — Abatement caps.

(a) The Mayor may approve up to \$2.5 million in annual tax abatements under §§ 47-857.03 and 47-857.05; provided, the Mayor may approve only up to \$500,000 in annual tax abatements in fiscal year 2003.

(b) The Mayor may approve up to \$2 million in annual tax abatements under §§ 47-857.04 and 47-857.06.

(c) The Mayor may approve up to \$3.5 million in annual tax abatements under §§ 47-857.07 and 47-857.08; provided, that \$500,000 shall be reserved for properties in eligible area #4.

(Apr. 19, 2002, D.C. Law 14-114, § 601(b), 49 DCR 1468; Oct. 1, 2002, D.C. Law 14-190, § 1103(a), 49 DCR 6968; Mar. 6, 2007, D.C. Law 16-226, § 2(d), 53 DCR 10238.)

**Effect of amendments.** — D.C. Law 14-190, in subsec. (a), substituted “and 47-857.05; provided, the Mayor may approve only up to \$500,000 in annual tax abatements in fiscal year 2003.” for “and 47-857.05.”

D.C. Law 16-226, in subsec. (c), increased the annual tax abatement approval cap from \$2.5 million to \$3.5 million.

**Temporary Amendment of Section.** — Section 2(d) of D.C. Law 16-201 amended subsec. (c) to read as follows:

“(c) The Mayor may approve up to \$3.5 million in annual tax abatements under §§ 47-857.07 and 47-857.08; provided that \$500,000 of such money shall be reserved for properties in eligible area #4.”

Section 6(b) of D.C. Law 16-201 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 1103 of Fiscal Year 2003 Budget Support Emergency Act of 2002 (D.C. Act 14-453, July 23, 2002, 49 DCR 8026).

For temporary (90 day) amendment of sec-

tion, see § 2(d) of Square 2910 Residential Development Stimulus Emergency Act of 2006 (D.C. Act 16-471, July 31, 2006, 53 DCR 6778).

For temporary (90 day) amendment of section, see § 2(d) of Square 2910 Residential Development Stimulus Congressional Review Emergency Act of 2006 (D.C. Act 16-521, October 27, 2006, 53 DCR 9117).

For temporary (90 day) amendment of section, see § 2(d) of Square 2910 Residential Development Stimulus Second Congressional Review Emergency Act of 2006 (D.C. Act 16-669, December 28, 2006, 54 DCR 1146).

**Legislative history of Law 14-114.** — For Law 14-114, see notes following § 47-857.01.

**Legislative history of Law 14-190.** — For Law 14-190, see notes following § 47-308.01.

**Legislative history of Law 16-226.** — For Law 16-226, see notes following § 47-857.01.

**Editor's notes.** — Section 1103(b) of D.C. Law 14-190 provided: “Funds sufficient for the implementation of this section shall be transferred from the Housing Production Trust Fund to the General Fund.”

## § 47-857.09a. Tax abatements for new residential developments — Notice and appeal rights.

Notwithstanding any other provision of this chapter, the Mayor shall provide the owner with written notice of the District's intent to impose a penalty for a violation of §§ 47-859.01 [47-857.01] through 47-857.10 or to disallow the tax abatement thereunder. The Mayor shall give the owner at least 30 days after the date of the notice to file an appeal and request a hearing before the Office

of Administrative Hearings, which shall hear the appeal subject to the notice and hearing provisions of subchapter I of Chapter 18 of Title 2 [§ 2-1801.01 et seq.], and the rules thereunder.

(Mar. 31, 2011, D.C. Law 18-352, § 2(b), 58 DCR 744.)

**Legislative history of Law 18-352.** — Law 18-352, the “Residential Housing Tax Abatement Clarification Amendment Act of 2010”, was introduced in Council and assigned Bill No. 18-897, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on December 7, 2010, and December 21, 2010, respectively. Signed by the Mayor on January 19,

2011, it was assigned Act No. 18-702 and transmitted to both Houses of Congress for its review. D.C. Law 18-352 became effective on March 31, 2011.

**Editor’s notes.** — Section 4 of D.C. Law 18-352 provided: “Sec. 4. Applicability. Section 2(a)(1) and (b) shall apply as of October 1, 2004. Section 2(a)(2) and (c) shall apply as of July 7, 2009.”

## § 47-857.10. Tax abatements for new residential developments — Regulations.

The Mayor shall promulgate regulations to implement §§ 47-857.01 through 47-857.09 within 180 days after the effective date of this section [April 19, 2002].

(Apr. 19, 2002, D.C. Law 14-114, § 601(b), 49 DCR 1468.)

**Legislative history of Law 14-114.** — For Law 14-114, see notes following § 47-857.01.

Authority Pursuant to D.C. Law 14-183, the “Housing Act of 2002”, see Mayor’s Order 2002-155, September 13, 2002 (49 DCR 8623).

**Delegation of Authority.** — Delegation of

## § 47-857.11. Tax abatements for nonprofit organizations locating in emerging commercial neighborhoods — Definitions.

For the purposes of §§ 47-857.11 through 47-857.16, the term:

(1) “Anacostia Nonprofit Zone” means all real property fronting on:

(A) Good Hope Road, S.E., between the Anacostia Freeway and the 18th Street, S.E.;

(B) Martin Luther King, Jr. Avenue, S.E., between S Street, S.E., and Suitland Parkway;

(C) Howard Road, S.E., between the Anacostia Freeway and Bowen Road, S.E.; and

(D) Shannon Place, S.E., between U Street, S.E., and Chicago Street, S.E.

(2) “Capitol Riverfront Nonprofit Zone” means the area described as the Capitol Riverfront BID in § 2-1215.58(b).

(3) “Designated Nonprofit Zone” means an area of the District designated by the Mayor as one that will benefit from the location of a nonprofit organization or an area to which a nonprofit organization seeks to locate and for which the Mayor determines that it is in the best interests of the District to offer a tax abatement under this section to the nonprofit organization and which the Council approves by act.



(4) “Eligible Nonprofit Zone” means an Emerging Neighborhood Nonprofit Zone or a Designated Nonprofit Zone.

(5) “Emerging Neighborhood Nonprofit Zone” means the Anacostia Nonprofit Zone, Capitol Riverfront Nonprofit Zone, Minnesota-Benning Nonprofit Zone, Mount Vernon Triangle Nonprofit Zone, and NoMa Nonprofit Zone.”

(6) “Mayor” means the Mayor of the District of Columbia.

(7) “Minnesota-Benning Nonprofit Zone” means the area bounded by a line beginning at the intersection of Hayes Street, N.E. and Minnesota Avenue, N.E., continuing northwest to the intersection of Hayes Street, N.E., and Kenilworth Avenue, N.E., continuing northwest along Hayes Street, N.E., to Anacostia Avenue, N.E.; continuing due west to the eastern shoreline of the Anacostia River; continuing south along the eastern shoreline of the Anacostia River to Benning Road, N.E.; continuing east along Benning Road, N.E., to Anacostia Avenue, N.E.; continuing southerly along Anacostia Avenue, N.E., to Dix Street, N.E.; continuing east along Dix Street, N.E., to 34th Street, N.E.; continuing north along 34th Street, N.E., to Eads Street, N.E.; continuing southeast along Eads Street, N.E., to 36th Street, N.E.; continuing south along 36th Street, N.E., to Kenilworth Avenue, N.E.; continuing southeast along a straight line to the intersection of 35th Street, N.E., and Clay Place, N.E.; continuing southeast along Clay Place, N.E., to Minnesota Avenue, N.E., continuing northeast along Minnesota Avenue, N.E., to Clay Place, N.E.; continuing southeast and then east along Clay Place, N.E., to 40th Street, N.E.; continuing northeast along 40th Street, N.E., to Benning Road, N.E. (and including the area to the immediate east of 40th Street, N.E., that is zoned C-3-A); continuing northwest along Benning Road, N.E., to Minnesota Avenue, N.E. (and including the area to the immediate north of Benning Road, N.E., that is zoned C-3-A); continuing northeast along Minnesota Avenue, N.E., to Hayes Street, N.E. (and including the area to the immediate east of Minnesota Avenue, N.E., that is zoned C-3-A), the starting point.

(8) “Mount Vernon Triangle Nonprofit Zone” means the area described as the Mount Vernon Triangle BID in § 2-1215.55(b).

(9) “NoMa Nonprofit Zone” means the area described as the NoMa Improvement Association BID in § 2-1215.57(b).

(10) “Qualified nonprofit organization” means an entity that is exempt from taxation under section 501(c)(3), (4), or (6) of the Internal Revenue Code of 1986, approved August 16, 1954 (68A Stat. 163; 26 U.S.C. § 501(c)(3), (4), and (6)).

(Sept. 24, 2010, D.C. Law 18-223, § 7042(b), 57 DCR 6242.)

**Emergency legislation.** — For temporary (90 day) addition, see § 7042(b) of Fiscal Year 2011 Budget Support Emergency Act of 2010 (D.C. Act 18-463, July 2, 2010, 57 DCR 6542).

**Legislative history of Law 18-223.** — For Law 18-223, see notes following § 47-355.05.

**Short title.** — Short title: Section 7041 of

D.C. Law 18-223 provided that subtitle E of title VII of the act may be cited as the “Nonprofit Tax Abatement Act of 2010”.

**Delegation of Authority.** — Delegation of Authority Pursuant to the Nonprofit Tax Abatement Act of 2010, see Mayor’s Order 2010-165, October 15, 2010 (57 DCR

**§ 47-857.12. Tax abatements for nonprofit organizations locating in emerging commercial neighborhoods — Requirements for tax abatement.**

(a) Subject to approval by the Mayor under § 47-857.13 and subject to the caps established by § 47-857.15, a qualified nonprofit organization that purchases office space in an Eligible Nonprofit Zone shall be eligible for an abatement on its real property taxes in the amount of \$8 per square foot, subject to subsection (c) of this section, for a period of 10 years, if:

(1) The qualified nonprofit organization purchases, after the effective date of this section, a minimum of 5,000 square feet of office space in the Eligible Nonprofit Zone;

(2) The qualified nonprofit organization occupies at least 75% of the office space purchased by the organization in the Eligible Nonprofit Zone and uses that space for the organization's stated mission;

(3) The qualified nonprofit organization purchases the office space at the market rate, as determined by the Mayor;

(4) The qualified nonprofit organization is not receiving any other real property tax abatement for the office space; and

(5) The office space is occupied by the qualified nonprofit organization on or before September 30, 2013, if the office space is in the Capitol Riverfront Nonprofit Zone, Mount Vernon Nonprofit Zone, or NoMa Nonprofit Zone, or on or before September 30, 2016, if the office space is in the Anacostia Nonprofit Zone, a Designated Nonprofit Zone, or Minnesota-Benning Nonprofit Zone.

(b) Subject to approval by the Mayor under § 47-857.13, and subject to the caps established by § 47-857.15, if a qualified nonprofit organization leases office space in an Eligible Nonprofit Zone, the owner of the office space shall be eligible for an abatement on its real property taxes in the amount of \$8 per square foot, subject to subsection (c) of this section, for a period of 10 years, if:

(1) The qualified nonprofit organization leases, after the effective date of this section [September 24, 2010], a minimum of 5,000 square feet of office space;

(2) The qualified nonprofit organization occupies at least 75% of the leased office space and uses that space for the organization's stated mission;

(3) The qualified nonprofit organization leases the office space at the market rate, as determined by the Mayor;

(4) The qualified nonprofit organization leases the office space at a rate that is net of real estate taxes;

(5) The owner of the office space leased by the qualified nonprofit organization is not receiving any other real property tax abatement for the office space; and

(6) The office space is occupied by the qualified nonprofit organization on or before September 30, 2013, if the office space is in the Capitol Riverfront Nonprofit Zone, Mount Vernon Nonprofit Zone, or NoMa Nonprofit Zone, or on or before September 30, 2016, if the office space is in the Anacostia Nonprofit Zone, a Designated Nonprofit Zone, or Minnesota-Benning Nonprofit Zone.

(c)(1) The amount of the annual real property tax abatement provided to a qualified nonprofit organization or owner of office space under this section



shall not exceed the real property tax liability for the office space that is receiving the abatement.

(2) A qualified nonprofit organization or owner of office space shall not be eligible to receive a real property tax abatement under §§ 47-857.11 through 47-857.16 for more than 100,000 square feet of office space.

(Sept. 24, 2010, D.C. Law 18-223, § 7042(b), 57 DCR 6242.)

**Emergency legislation.** — For temporary (90 day) addition, see § 7042(b) of Fiscal Year 2011 Budget Support Emergency Act of 2010 (D.C. Act 18-463, July 2, 2010, 57 DCR 6542).

**Legislative history of Law 18-223.** — For Law 18-223, see notes following § 47-355.05.

### **§ 47-857.13. Tax abatements for nonprofit organizations locating in emerging commercial neighborhoods — Application and certification of eligibility.**

(a) To be eligible to receive a tax abatement under § 47-857.12, a qualified nonprofit organization shall submit to the Mayor an application and the Mayor shall determine whether the organization is eligible to receive the real property tax abatement. The Mayor shall approve the applications by the eligible qualified nonprofit organizations in the order in which they are received subject to the provisions of this section and the caps established by § 47-857.15.

(b) The application shall include such information and documents as may be prescribed by the Mayor, including a letter of intent or similar document.

(c) After receiving an application, the Mayor may:

(1) Reserve the amount of the requested real property tax abatement for the applicant;

(2) Establish or extend deadlines by which the applicant must:

(A) Provide documentation of its eligibility under § 47-857.12 and rules promulgated pursuant to § 47-857.16;

(B) Submit an executed lease or purchase agreement;

(C) Occupy the office space;

(D) Submit requested documents and information; and

(3) Cancel the reservation for failure to meet any deadline.

(d) The Mayor may establish such other application requirements as the Mayor considers necessary or useful.

(e) A qualified nonprofit organization shall not receive a real property tax abatement under § 47-857.11 through 47-857.16 if it has not received a certification of eligibility from the Mayor under this section.

(Sept. 24, 2010, D.C. Law 18-223, § 7042(b), 57 DCR 6242.)

**Emergency legislation.** — For temporary (90 day) addition, see § 7042(b) of Fiscal Year 2011 Budget Support Emergency Act of 2010 (D.C. Act 18-463, July 2, 2010, 57 DCR 6542).

**Legislative history of Law 18-223.** — For Law 18-223, see notes following § 47-355.05.

**§ 47-857.14. Tax abatements for nonprofit organizations locating in emerging commercial neighborhoods — Annual reporting.**

A qualified nonprofit organization that is receiving a real property tax abatement under this section shall file annually with the Mayor and the Office of Tax and Revenue the report required by § 47-1007 and shall include in such report:

- (1) A certification that the qualified nonprofit organization:
  - (A) Continues to lease or purchase (whichever is applicable) the office space for which the organization was granted the tax abatement;
  - (B) Continues to occupy at least 75% of the office space and uses that space for the organization's stated mission;
  - (C) If it leases the office space, continues to lease the office space at the market rate, subject to verification by the Mayor, and net of real estate taxes; and
  - (D) If it owns the office space, or the owner of the office space, if the office space is leased by the qualified nonprofit organization, is not receiving any other real property tax abatement for the office space; and
- (2) Such other information as may be required by the Mayor pursuant to rule.

(Sept. 24, 2010, D.C. Law 18-223, § 7042(b), 57 DCR 6242.)

**Emergency legislation.** — For temporary (90 day) addition, see § 7042(b) of Fiscal Year 2011 Budget Support Emergency Act of 2010 (D.C. Act 18-463, July 2, 2010, 57 DCR 6542).

**Legislative history of Law 18-223.** — For Law 18-223, see notes following § 47-355.05.

**§ 47-857.15. Tax abatements for nonprofit organizations locating in emerging commercial neighborhoods — Abatement caps.**

(a) The total annual dollar amount of tax abatements approved for an Eligible Nonprofit Zone shall not exceed:

- (1) \$600,000 in the Anacostia Nonprofit Zone;
- (2) \$2.6 million in the Capitol Riverfront Nonprofit Zone;
- (3) \$800,000 in all Designated Nonprofit Zones;
- (4) \$600,000 in the Minnesota-Benning Nonprofit Zone;
- (5) \$1.2 million in the Mount Vernon Triangle Nonprofit Zone; and
- (6) \$2.6 million in the NoMa Nonprofit Zone.

(b) The total amount of real property tax abatements approved for qualified nonprofit organizations in all Eligible Nonprofit Zones shall not exceed \$500,000 in Fiscal Years 2011, 2012, 2013, and 2014.

(Sept. 24, 2010, D.C. Law 18-223, § 7042(b), 57 DCR 6242.)

**Emergency legislation.** — For temporary (90 day) addition, see § 7042(b) of Fiscal Year

2011 Budget Support Emergency Act of 2010 (D.C. Act 18-463, July 2, 2010, 57 DCR 6542).



**Legislative history of Law 18-223.** — For Law 18-223, see notes following § 47-355.05.

### **§ 47-857.16. Tax abatements for nonprofit organizations locating in emerging commercial neighborhoods — Rules.**

The Mayor, pursuant to Chapter 5 of Title 2, may issue rules to implement the provisions of §§ 47-857.11 through 47-857.16.

(Sept. 24, 2010, D.C. Law 18-223, § 7042(b), 57 DCR 6242.)

**Emergency legislation.** — For temporary (90 day) addition, see § 7042(b) of Fiscal Year 2011 Budget Support Emergency Act of 2010 (D.C. Act 18-463, July 2, 2010, 57 DCR 6542).

**Legislative history of Law 18-223.** — For Law 18-223, see notes following § 47-355.05.

### **§ 47-858.01. Tax abatements for homeowners in enterprise zones — Definitions.**

For the purposes of §§ 47-858.01 through 47-858.05, the term:

(1)(A) “Area median income” means:

(i) For a household of 4 persons, the area median income for a household of 4 persons in the Washington Metropolitan Statistical Area as set forth in the periodic calculation provided by the United States Department of Housing and Urban Development;

(ii) For a household of 3 persons, 90% of the area median income for a household of 4 persons;

(iii) For a household of 2 persons, 80% of the area median income for a household of 4 persons;

(iv) For a household of one person, 70% of the area median income for a household of 4 persons; and

(v) For a household of more than 4 persons, the area median income for a household of 4 persons, increased by 10% of the area median income for a family of 4 persons for each household member exceeding 4 persons (e.g., the area median income for a family of 5 shall be 110% of the area median income for a family of 4; the area median income for a household of 6 shall be 120% of the area median income for a family of 4).

(B) Any percentage of household income referenced in this title (e.g., 80% of household income) shall be determined through a direct mathematical calculation and shall not take into account any adjustments made by the United States Department of Housing and Urban Development for the purposes of the programs it administers.

(2) “Eligible owner” means the owner of a residential property who resides in a household consisting of one or more individuals with a household income of 120% or less of the area median income.

(3) “Enterprise zone” means the area of the District designated as the District of Columbia Enterprise Zone under section 1400 of the Internal Revenue Code of 1986, approved August 5, 1997 (111 Stat. 863; 26 U.S.C. § 1400).

(4) “Single family residential property” shall have the same meaning as in § 47-803(6).

(5) “Substantially rehabilitates” means rehabilitation of a single family residential property for which the rehabilitation expenditures, during the 24-month period selected by the taxpayer, exceed \$20,000. In the case of a rehabilitation that may reasonably be expected to be completed in phases set forth in architectural plans and specifications drawn by an architect licensed by the District of Columbia before the rehabilitation begins, a 60-month period may be substituted for the 24-month period.

(Apr. 19, 2002, D.C. Law 14-114, § 701(b), 49 DCR 1468.)

**Legislative history of Law 14-114.** — For Law 14-114, see notes following § 47-857.01.

**Editor’s notes.** — Section 1101 of D.C. Law 14-114 provided: “The Mayor, pursuant to Title

I of the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1204; D.C. Official Code § 2-501 et seq.), shall promulgate rules to implement this act.”

## § 47-858.02. Tax abatements for homeowners in enterprise zones — Requirements for tax abatement.

In order for a property to be eligible for a tax abatement under § 47-858.03 or § 47-858.04, an owner must:

(1) Submit an application to the Mayor requesting certification of the property and rehabilitation as eligible for the tax abatement; and

(2) Receive the Mayor’s certification of the application and the tax abatement.

(Apr. 19, 2002, D.C. Law 14-114, § 701(b), 49 DCR 1468.)

**Legislative history of Law 14-114.** — For Law 14-114, see notes following § 47-857.01.

## § 47-858.03. Tax abatements for homeowners in enterprise zones — Tax abatement for substantial rehabilitation of single-family residential property in an enterprise zone.

(a) Subject to § 47-858.02 and subsection (b) and (c) of this section, if an eligible owner of a single family residential property in an enterprise zone substantially rehabilitates the property after the effective date of this section [April 19, 2002] and before October 1, 2007, there shall be allowed a deduction from the real property tax imposed by § 47-811 on the real property computed as follows:

(1) For the tax year in which the rehabilitation is completed and for the 3 tax years after the year in which the rehabilitation is completed, a deduction equal to 100% of the amount by which the tax liability for the real property increased under § 47-811 as a result of the rehabilitation;

(2) For the 4th tax year after the year in which the rehabilitation is completed, a deduction equal to 75% of the amount by which the tax liability for the real property increased under § 47-811 as a result of the rehabilitation;



(3) For the 5th tax year after the year in which the rehabilitation is completed, a deduction equal to 50% of the amount by which the tax liability for the real property increased under § 47-811 as a result of the rehabilitation; and

(4) For the 6th tax year after the year in which the rehabilitation is completed, a deduction equal to 25% of the amount by which the tax liability for the property increased under § 47-811 as a result of the rehabilitation.

(b) In order to be eligible for the tax credit under this section, the owner shall complete the substantial rehabilitation of the property for which the tax abatement is granted within 36 months after receiving the approval of the Mayor under § 47-858.02; provided, that if the substantial rehabilitation is a phased rehabilitation as described in § 47-858.01(5), the owner shall complete the substantial rehabilitation within 72 months, or such shorter period as the Mayor may designate, which shorter period shall be related to the length of the rehabilitation and shall be not less than 36 months, after receiving the approval of the Mayor under § 47-858.02.

(c) The deduction under subsection (a) of this section shall be allowed only while the eligible owner or, if the eligible owner dies, a spouse, domestic partner, sibling, child, parent, or grandparent of the person (collectively, "qualified relative"), occupies the property as the principal residence of the eligible owner or qualified relative.

(Apr. 19, 2002, D.C. Law 14-114, § 701(b), 49 DCR 1468.)

**Legislative history of Law 14-114.** — For Law 14-114, see notes following § 47-857.01.

#### **§ 47-858.04. Tax abatements for homeowners in enterprise zones — Tax credit for substantial rehabilitation of single-family residential property in an enterprise zone.**

(a) Subject to § 47-858.02 and subsection (b) of this section, if an eligible owner of a single family residential property in an enterprise zone substantially rehabilitates the property after the effective date of this section [April 19, 2002] and before October 1, 2007, the real property tax imposed by § 47-811 shall, for the tax year in which the substantial rehabilitation is completed, be reduced \$50 for each \$1,000 of expended on the substantial rehabilitation; provided:

(1) The owner is subject to the income tax imposed by § 47-1806.03;

(2) The improvements are completed after October 1, 2002;

(3) The owner completes the substantial rehabilitation of the property for which the reduction is granted within 36 months after receiving the approval of the Mayor under § 47-858.02;

(4) The reduction in the tax imposed by § 47-1806.03 shall not exceed \$5,000.

(b) The amount of the reduction allowed during a tax year under this section shall not exceed 50% of the real property tax that was imposed on the real

property by § 47-811 during the prior tax year. If the amount of the reduction exceeds 50% of the tax imposed during the prior tax year, the unused amount of the reduction may be carried forward for 5 tax years

(c) The Mayor may approve up to \$1 million in tax credits under § 47-858.04.

(Apr. 19, 2002, D.C. Law 14-114, § 701(b), 49 DCR 1468.)

**Legislative history of Law 14-114.** — For Law 14-114, see notes following § 47-857.01.

**§ 47-858.05. Tax abatements for homeowners in enterprise zones — Applicability date; Mayoral certification; computation of abatement.**

(a) Sections 47-858.01 through 47-858.04 shall apply for tax years beginning on or after October 1, 2002.

(b) On or after the first day of the tax year for which the qualification for an abatement is certified, the Mayor shall certify to the Office of Tax and Revenue a list of the qualified properties which specifies the exact parcel subject to abatement, an estimate of the abatement, and a statement that the property owner qualifies.

(c) The abatement shall be computed by the Office of Tax and Revenue by comparing the current assessment of the qualified property for the first year that the property is qualified or the assessment in any succeeding year and comparing it to the assessment in the base year. The abatement percentage shall be applied to the difference between base year assessment and the current year's assessment for each tax year. The Mayor shall certify to the Office of Tax and Revenue that each property owner and each property qualifies for the program annually regarding income levels.

(Apr. 19, 2002, D.C. Law 14-114, § 701(b), 49 DCR 1468.)

**Legislative history of Law 14-114.** — For Law 14-114, see notes following § 47-857.01.

**§ 47-859.01. Tax abatements for new residential developments in NoMA — Definitions.**

For the purposes of §§ 47-859.01 through 47-859.05, the term:

(1) "Eligible Area" means those portions of Wards 5 and 6 which comprise the geographic area defined by a line that starts at the center of the street at the intersection of Massachusetts Avenue, N.E., and 1st Street, N.E.; continuing north along the center line of 1st Street, N.E., to the center line of H Street, N.E.; continuing east along the center line of H Street, N.E., to the center line of 2nd Street, N.E.; continuing north along the center line of 2nd Street, N.E., to the center line of K Street, N.E.; continuing east along the center line of K Street, N.E., to the center line of 3rd Street, N.E.; continuing north along the center line of 3rd Street, N.E. (and including Lot 0058, Square 0774), to the center line of M Street, N.E.; continuing east along the center line of M Street,



N.E., to 4th Street, N.E.; continuing along the center line of 4th Street, N.E., to the center line of Florida Avenue, N.E.; continuing northwest along the center line of Florida Avenue, N.E., until it crosses the WMATA rail line; continuing northeast along the boundary of the WMATA rail line until it crosses R Street, N.E.; continuing west along the center line of R Street, N.E., to Eckington Place, N.E.; continuing south along the center line of Eckington Place, N.E., to the center line of Q Street, N.E.; continuing west along the center line of Q Street, N.E. (and including Lots 0043, 0063, and 0070, Square 3519), to the center line of North Capitol Street (but excluding Lots 0104 through 0114, 0118 through 0133, and 0807, Square 3516.); continuing south along the center line of North Capitol Street to the center line of Eye Street, N.W.; continuing west along the center line of Eye Street, N.W., to the center line of New Jersey Avenue, N.W.; continuing southeast along the center line of New Jersey Avenue, N.W., to the center line of Massachusetts Avenue, N.W., continuing southeast along Massachusetts Avenue, N.W., to the center line of 1st Street, N.E. (the starting point).

(2) “Eligible Real Property” means real property that:

(A) Is located in an Eligible Area;

(B) Is classified, in whole or in part, as Class 1 or Class 2 property under § 47-813(c-6);

(C) Is improved by a new structure or by a previously uninhabitable structure which undergoes substantial renovation for residential use; and

(D) Has 10 or more units devoted to residential use.

(July 7, 2009, D.C. Law 18-10, § 2(b), 56 DCR 3598.)

**Emergency legislation.** — For temporary (90 day) repeal of section 3 of D.C. Act 18-54, see § 7034 of Fiscal Year 2010 Budget Support Second Emergency Act of 2009 (D.C. Act 18-207, October 15, 2009, 56 DCR 8234).

For temporary (90 day) repeal of section 3 of D.C. Act 18-54, see § 7034 of Fiscal Year Budget Support Congressional Review Emergency Amendment Act of 2009 (D.C. Act 18-260, January 4, 2010, 57 DCR 345).

**Legislative history of Law 18-10.** — Law 18-10, the “NoMA Residential Development Tax Abatement Act of 2009”, was introduced in Council and assigned Bill No. 18-18 which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on March 17, 2009, and April 7,

2009, respectively. Approved without the signature of the Mayor on April 29, 2009, it was assigned Act No. 18-54 and transmitted to both Houses of Congress for its review. D.C. Law 18-10 became effective on July 7, 2009.

**Delegation of Authority.** — Delegation of Authority Pursuant to D.C. Law 18-10, the NOMA Residential Development Tax Abatement Act of 2009, see Mayor’s Order 2010-111, July 9, 2010 (57 DCR 5997).

**Editor’s notes.** — Section 3 of D.C. Law 18-10 provided that this act shall apply upon the inclusion of its fiscal effect in an approved budget and financial plan.

Section 7034 of D.C. Law 18-111 repealed section 3 of D.C. Law 18-10.

## § 47-859.02. Tax abatements for new residential developments — Requirements for tax abatements for new residential developments.

(a) Subject to paragraph (1) of this subsection and subsections (b) and (c) of this section, and to the tax abatement limits imposed by § 47-859.04, the Mayor shall approve a tax abatement under § 47-859.03 for an Eligible Real Property if:

(1) The owner, or his designee or assignee, receives:

(A) A final building permit for the mechanical, electrical, plumbing, and heating, ventilation, and air conditioning systems for the building's superstructure; or

(B) A letter from both the building architect and the Mayor certifying that the 1st level of concrete has been laid and the building has received a building permit for both the building's sheeting, shoring, and excavation work and the building's foundation to grade structural work;

(2) The owner, or his designee or assignee, requests a certification letter from the Mayor stating that the Eligible Real Property and project are approved for the tax abatement in a stated amount;

(3) The Mayor transmits to the owner, or his designee or assignee, the certification letter requested under paragraph (2) of this subsection; and

(4) The building permit for the project's superstructure is received after January 1, 2008.

(b) A tax abatement shall not be allowed under § 47-859.03:

(1) Unless the owner, or his designee or assignee, satisfies subsections (a)(1) and (2) of this section on or before December 31, 2012;

(2) Unless the 1st level of concrete for the project has been laid either before or within 6 months after the date the certification letter is transmitted by the Mayor under subsection (a)(3) of this section, if certification was requested based upon subsection (a)(1)(A) of this section;

(3) If the project has not received a certificate of occupancy within 36 months after the date the certification letter is transmitted by the Mayor under subsection (a)(3) of this section; provided, that the Mayor may extend the 36-month period for up to 6 months if the building's construction has reached grade, as certified by the project architect and the Mayor;

(4) If the improvement of the Eligible Real Property is financed in any part under subchapter IX of Chapter 12 of Title 2;

(5) If the Eligible Real Property receives relief under § 42-3508.02; or

(6) If the Eligible Real Property was owned by the District of Columbia, or one of its instrumentalities, as of January 1, 2008.

(c) The number of residential dwelling units that may be approved under § 47-859.03 for the tax abatement under § 47-859.04 shall be limited to 3,000 units in the aggregate. The Mayor shall keep a record of the number of residential dwelling units that are approved under § 47-859.03 and § 47-859.04.

(d)(1) The Mayor shall, as nearly as practicable, review requests for certification in the order in which they were received and shall complete review of such requests for certification within 45 days after receipt.

(2) A copy of all certification letters transmitted by the Mayor pursuant to subsection (a)(3) of this section shall be sent to the Office of Tax and Revenue.

(July 7, 2009, D.C. Law 18-10, § 2(b), 56 DCR 3598.)

**Legislative history of Law 18-10.** — For Law 18-10, see notes following § 47-859.01.



### **§ 47-859.03. Tax abatements for new residential developments — Tax abatement for all new housing projects in NoMA.**

For all Eligible Real Properties certified under § 47-859.02, there shall be allowed as an abatement of the real property tax imposed by § 47-811 an amount computed as follows: \$1.50 per residential FAR square foot, multiplied by the building's total residential FAR square footage as certified by the project architect and the Mayor; provided, that:

(1) The tax abatement shall expire at the end of the 10th tax year after the tax year in which a certificate of occupancy is issued for the Eligible Real Property.

(2) If, during a tax year for which the tax abatement is approved, the Eligible Real Property for which the abatement was granted contains fewer than 10 dwelling units, the tax abatement shall not be allowed.

(July 7, 2009, D.C. Law 18-10, § 2(b), 56 DCR 3598.)

**Legislative history of Law 18-10.** — For Law 18-10, see notes following § 47-859.01.

### **§ 47-859.04. Tax abatements for new residential developments — Abatement caps.**

The Mayor may approve an amount not to exceed \$5 million annually in tax abatements under § 47-859.03, not to exceed \$50 million in the aggregate.

(July 7, 2009, D.C. Law 18-10, § 2(b), 56 DCR 3598.)

**Legislative history of Law 18-10.** — For Law 18-10, see notes following § 47-859.01.

### **§ 47-859.04a. Tax abatements for new residential developments — Notice and appeal rights.**

Notwithstanding any other provision of this chapter, the Mayor shall provide the owner with written notice of the District's intent to impose a penalty for a violation of §§ 47-859.01 through 47-859.05 or to disallow the tax abatement thereunder. The Mayor shall give the owner at least 30 days after the date of the notice to file an appeal and request a hearing before the Office of Administrative Hearings, which shall hear the appeal subject to the notice and hearing provisions of subchapter I of Chapter 18 of Title 2 [§ 2-1801.01 et seq.], and the rules thereunder.

(Mar. 31, 2011, D.C. Law 18-352, § 2(c), 58 DCR 744.)

**Legislative history of Law 18-352.** — For history of Law 18-352, see notes under § 47-857.09a.

**Editor's notes.** — Section 4 of D.C. Law

18-352 provided: "Sec. 4. Applicability. Section 2(a)(1) and (b) shall apply as of October 1, 2004. Section 2(a)(2) and (c) shall apply as of July 7, 2009."

## § 47-859.05. Tax abatements for new residential developments — Rules.

The Mayor shall promulgate rules to implement §§ 47-859.01 through 47-859.04 within 180 days after [July 7, 2009].

(July 7, 2009, D.C. Law 18-10, § 2(b), 56 DCR 3598.)

**Legislative history of Law 18-10.** — For Law 18-10, see notes following § 47-859.01.

**Delegation of Authority.** — Delegation of Authority Pursuant to D.C. Law 18-10, the

NOMA Residential Development Tax Abatement Act of 2009, see Mayor's Order 2010-61, April 23, 2010 (57 DCR 3509).

### *Subchapter III. Miscellaneous.*

## § 47-861. Violations.

Except as specifically provided in this chapter, or in other provisions of law applicable to the District of Columbia, the Council may by regulation establish penalties for violations of any provisions of this chapter, including any regulation issued pursuant to this chapter. Such penalties may not exceed imprisonment for longer than 1 year, or a fine not to exceed \$10,000, or both, for each offense.

(Sept. 3, 1974, 88 Stat. 1065, Pub. L. 93-407, title IV, § 477; Jan. 3, 1975, 88 Stat. 2177, Pub. L. 93-635, § 8(d); enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-861. 1973 Ed., § 47-661.

### CASE NOTES

#### **In general.**

Regulation providing for conclusive presumption of full commercial use of property from fact alone of nonexcused failure to submit information to assist in apportionment of mixed use commercial property was not "penalty" in violation of statute in which council of District of Columbia reserved for itself authority to establish penalties for transgressions of real prop-

erty tax statute, where loss of mixed use treatment for failure to meet requirements was permissible effect of failure to assist in process of achieving accurate and current apportionment. D.C. Code 1981, §§ 47-813(f), 47-861; D.C. Mun.Reg. title 9, § 327.4. *District of Columbia v. Willard Assocs.*, 655 A.2d 1237, 1995 D.C. App. LEXIS 60 (1995).

## § 47-862. Rules and regulations for tax deferral provisions.

The Mayor may promulgate rules and regulations for the proper administration of the provisions of §§ 47-845 and 47-846 [repealed].

(Oct. 13, 1978, D.C. Law 2-119, § 5, 25 DCR 1514; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-862. 1973 Ed., § 47-662.

**Legislative history of Law 2-119.** — For legislative history of D.C. Law 2-119, see His-



torical and Statutory Notes following § 47-824.

**References in text.** — Section 47-846 was repealed by § 3 of D.C. Law 4-128.

**§ 47-863. Reduced tax liability for property owners over age 65 and for property owners with disabilities; rules.**

(a) For the purposes of this section, the term:

(1) “Adjusted gross income” shall have the same meaning as in section 62 of the Internal Revenue Code of 1986, approved August 16, 1954 (68A Stat. 17; 26 U.S.C. § 62).

(1A) “Eligible household” means:

(A) In the case of a house or condominium, an individual’s residence:

(i) That comprises a dwelling unit;

(ii) That is Class 1 Property, as defined in § 47-813, and contains not more than 5 dwelling units therein;

(iii)(I) That is owned at least 50%, in whole or in part, by the individual who:

(aa) Is 65 years of age or older; and

(bb) Whose household adjusted gross income is less than \$100,000; or

(II)(aa) Has been determined to have a permanent and total disability by the Social Security Administration, is receiving Supplemental Security Income or Social Security Disability, is receiving railroad retirement disability benefits, or is receiving federal or District of Columbia government disability payments; and

(bb) Whose household adjusted gross income is less than \$100,000.

(B) In the case of a cooperative housing association that is Class 1 Property, as defined in § 47-813, a shareholder’s or member’s residence:

(i) That comprises a dwelling unit;

(ii) That is owned at least 50%, in whole or in part, by the individual who:

(I)(aa) Is 65 years of age or older; and

(bb) Whose household adjusted gross income is less than \$100,000; or

(II)(aa) Has been determined to have a permanent and total disability by the Social Security Administration, is receiving Supplemental Security Income or Social Security Disability, is receiving railroad retirement disability benefits, or is receiving federal or District of Columbia government disability payments; and

(bb) Whose household adjusted gross income is less than \$100,000; and

(iii) That, by reason of his or her ownership of stock or membership certificate, a proprietary lease, or other evidence of membership, is occupied by right by the shareholder or member with at least a 50% interest which permits the occupation of the dwelling unit.

(2) "Household adjusted gross income" means the adjusted gross income of all persons residing in a household, excluding the adjusted gross income of any person who is a tenant by virtue of a written lease for fair market value.

(3) "Residence" means the principal place of residence in the District of an individual, shareholder, or member, who is domiciled in the District.

(4) Repealed.

(5) "Taxable assessment" means the assessed value of the real property, reduced, if applicable, by the credit under § 47-864 or the deduction under § 47-850.

(b)(1) In the case of a house or condominium, an eligible household shall be eligible for a 50% deduction in computing real property tax liability. The deduction shall be computed by multiplying the tax rate by 50% of an amount equal to the current tax year's taxable assessment. The deduction shall be apportioned equally between each installment during a tax year and shall not be carried forward or carried back.

(2)(A) In the case of a cooperative housing association, the deduction shall be computed by multiplying the tax rate by 50% of an amount equal to the current tax year's taxable assessment attributable to the eligible household. The deduction shall be apportioned equally between each installment during a tax year and shall not be carried forward or carried back.

(B) The taxable assessment attributable to the eligible household shall be determined in the same manner as the cooperative housing association was assessed under § 47-820.01, including any prorations thereunder.

(c)(1) In the case of a house or condominium, and to qualify the eligible household to receive the deduction, the individual shall complete and file with the Mayor an application in a form prescribed by the Mayor. The individual shall certify, under penalty of perjury, the information provided on the application form and the application form shall be filed in the manner prescribed by the Mayor. The Mayor may require the individual to provide any information which the Mayor considers necessary, including all taxpayer identification numbers of the individual, any other owner, any person with legal or equitable title, and any person in the household of the individual. The Mayor may also require the individual, any other owner, any person with legal or equitable title, and any person in the household of the individual to submit information after the deduction has been allowed to determine whether the real property remains an eligible household and entitled to the deduction.

(2)(A) For the cooperative housing association to qualify and receive the deduction, the shareholder or member shall complete and file with the Mayor an application in a form prescribed by the Mayor. The shareholder or member shall certify, under penalty of perjury, the information provided on the application form, and the application form shall be filed in the manner prescribed by the Mayor. The Mayor may require the shareholder or member to provide any information which the Mayor considers necessary, including the taxpayer identification numbers of the shareholder or member, any other person with an ownership or membership interest, and any person in the household of the shareholder or member. The Mayor may also require the shareholder or member, any other person with an ownership or membership



interest, and any person in the household of the shareholder or member to submit information after the deduction has been granted to determine whether the cooperative housing association remains entitled to the deduction for the eligible household.

(B) The Mayor may require the officers or managers of the cooperative housing association to distribute the application forms to its shareholders or members and to collect the completed application forms from the shareholders or members for return to the Mayor. Officers and managers of a cooperative housing association shall submit such other information as the Mayor may require.

(C) The deduction shall be passed on to the eligible household by the cooperative housing association during the corresponding tax year.

(d) If a properly completed and approved application is filed during the period October 1 through March 31 of the tax year, the real property shall receive the deduction for the entire tax year. Notwithstanding subsection (b) of this section, if a properly completed and approved application is filed during the period April 1 through September 30, the real property shall receive  $\frac{1}{2}$  of the deduction, which shall be applied to the second installment only.

(e) The application form filed by the individual, shareholder, or member shall apply to the initial tax year, or applicable installment, and to any succeeding tax year thereafter for which the deduction is allowed.

(f)(1) Within 45 days from the date of the notice rescinding or denying the deduction, the owner may petition for an administrative review of the rescission or denial and appeal from a final determination thereof to the same extent as if the appeal were filed under § 47-825.01a(d)(2).

(2) Notwithstanding paragraph (1) of this subsection, if the eligible household is transferred and continued to qualify for the deduction 30 days or less before the date of execution of the deed of transfer, the applicant shall not be required to notify the Mayor of the change in eligibility.

(3) If the tax is paid within 30 days of the corresponding bill, timely notification of the change in eligibility shall preclude assessment of penalty and interest.

(4) If the change in eligibility occurs during the period October 1 through March 31 of the tax year, the deduction shall be disallowed for the entire tax year.

(5) Notwithstanding subsection (a) of this section, if the change in eligibility occurs during the period April 1 through September 30, the real property shall receive  $\frac{1}{2}$  of the deduction, which shall be applied to the first installment only.

(6)(A) Notwithstanding the rescissions of the deduction pursuant to paragraphs (4) and (5) of this subsection, if the applicant's required ownership interest in the real property is transferred to a new owner, shareholder, or member who does not apply or qualify for the deduction, the real property shall nevertheless be entitled to the apportioned amount of the deduction applicable to the installment payable during the half tax year during which such ownership interest was transferred. At the end of the half tax year, the deduction shall cease.

(B) If the applicant purchases another real property or interest in a housing cooperative for which he or she shall make application for the deduction, and the application and purchase occurs during the same half tax year when the transfer occurred, subsections (i) and (j) of this section shall not apply to the extent that both real properties may benefit from the deduction during that half tax year and, thereafter, only the newly purchased real property or housing cooperative in which the applicant acquired newly an interest shall benefit from the applicant's deduction.

(C) Notwithstanding the foregoing, a real property shall not benefit from more than one deduction in any half tax year; provided, that in the case of a housing cooperative, the real property shall not benefit from more than one deduction related to an eligible household in any half tax year.

(f-1) A denial of the deduction shall be subject to the provisions of § 47-813(d-1)(3A) to the same extent as an appeal of a Class 3 classification.

(g) If real property tax is owing as a result of an erroneous or improper deduction, the following shall apply:

(1) Except in the case of cooperative housing associations, if the eligible household was transferred, the applicant or former owner, and not the real property shall be personally liable for the amount of the delinquent real property tax which was not paid timely during the period when the applicant or former owner had an ownership interest in the eligible household, together with interest and penalty at the same rate as provided in this chapter for the late payment of real property tax. The tax shall be considered due on the date that the total amount of real property tax was due but unpaid and shall be collected in the manner prescribed under Chapter 44.

(2) Notwithstanding paragraph (1) of this subsection, if the eligible household was transferred and the grantee failed to timely record a deed under § 47-1431 (or other evidence of the transfer in the case of a cooperative housing association), the real property shall be liable for the amount of the delinquent real property tax which was not timely paid, together with interest and penalty as provided in this chapter for the late payment of real property tax.

(3) In all other cases, the real property shall be liable for the amount of the delinquent real property tax which was not paid timely, together with interest and penalty as provided in this chapter for the late payment of real property tax.

(h) The eligibility of an eligible household for the deduction shall not be affected by the transfer of the eligible household into a revocable trust if the transfer is without consideration and the eligible household remains the residence of the applicant-grantor before and after the transfer.

(i) No other person in the household of the individual, shareholder, or member shall claim a deduction for an eligible household in the District. The cooperative housing association shall not receive a deduction for an eligible household if the basis of the deduction is another person in the household of the shareholder or member.

(j) If an individual, shareholder, or member claims more than one eligible household in the same tax year, and has not timely notified the Mayor of all



changes in eligibility, the Mayor shall disallow the deduction for all eligible households claimed by the individual, shareholder or member.

(k)(1) The Mayor may contract with a collection agency inside or outside of the District to verify the contents of any application form or return for the purposes of determining the eligibility of any eligible household.

(2) All funds collected by the collection agency and belonging to the District shall be remitted to the Mayor not less than once a month. Forms to be utilized for the remittances may be prescribed by the Mayor. The Mayor may require that the collection agency furnish a bond securing compliance with the provisions of this subsection and the contract with the District.

(3) At the discretion of the Mayor:

(A) The collection agency may charge a collection fee not in excess of 25% of the total amount of the delinquent taxes, excluding penalties and interest, that is actually collected; or

(B) The collection agency may be remunerated by fee, percentage of taxes collected, or both.

(4) Notwithstanding any other provision contained in this title, confidential information related to the owner of the real property may be provided to a collection agency for purposes of collecting a delinquent tax under this chapter. If the information is provided to a collection agency under this subsection, the collection agency shall not disclose the information to a third party, other than the owner (or his or her representative), unless the Mayor would be authorized by law to make the disclosure. A collection agency, or employee of a collection agency, violating the provisions of this subsection shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than \$1,000, or imprisoned for not more than 180 days, or both. All prosecutions under this paragraph shall be brought in the Superior Court of the District of Columbia on information by the Attorney General for the District of Columbia in the name of the District of Columbia.

(l) In the case of a house or a condominium, the real property tax bill shall indicate whether the real property is receiving the deduction.

(Sept. 23, 1986, D.C. Law 6-153, § 5, 33 DCR 4787; Mar. 7, 1992, D.C. Law 9-56, § 5, 38 DCR 7281; Sept. 10, 1992, D.C. Law 9-145, § 105, 39 DCR 4895; Oct. 7, 1992, D.C. Law 9-177, § 8, 39 DCR 5868; June 14, 1994, D.C. Law 10-127, § 2, 41 DCR 2050; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 25, 2002, D.C. Law 14-147, § 2(g), 49 DCR 4219; Apr. 4, 2003, D.C. Law 14-282, § 11(l), 50 DCR 896; June 5, 2003, D.C. Law 14-307, § 1303(f), 49 DCR 11664; Mar. 13, 2004, D.C. Law 15-105, § 72(c), 51 DCR 881; Dec. 7, 2004, D.C. Law 15-205, § 1162(e), 51 DCR 8441; Apr. 13, 2005, D.C. Law 15-354, § 73(b)(6), 52 DCR 2638; Oct. 20, 2005, D.C. Law 16-33, §§ 1082(c), 1262(b), 1297(a)(3), 52 DCR 7503; Mar. 2, 2007, D.C. Law 16-191, § 102, 54 DCR 6794; Apr. 24, 2007, D.C. Law 16-305, § 73(b), 53 DCR 6198; Aug. 15, 2008, D.C. Law 17-216, § 4(e), 55 DCR 7500; Mar. 25, 2009, D.C. Law 17-345, § 2(e), 56 DCR 962; July 13, 2012, D.C. Law 19-155, § 2(d), 59 DCR 5590; July 13, 2012, D.C. Law 19-165, § 2, 59 DCR 6188.)

**Section references.** — This section is referred to in §§ 47-405, 47-813, and 47-1806.09a.

**Prior Codifications.** — 1981 Ed., § 47-863.

**Effect of amendments.** — D.C. Law 14-147 rewrote the section.

D.C. Law 14-282 rewrote subsecs. (b)(1)(B) and (b)(2)(A) which had read as follows: “(B) If a homestead deduction under § 47-850 is allowed, the deduction as provided in this paragraph shall be computed by multiplying 50% by an amount equal to the estimated market value of the senior’s household less the homestead deduction under §

**Temporary Amendment of Section.** —

For temporary (225 day) amendment of section, see § 105 of Omnibus Budget Support Temporary Act of 1992 (D.C. Law 9-134, July 23, 1992, law notification 39 DCR 5815).

For temporary (225 day) amendment of section, see § 2(c) of Homestead and Senior Citizen Real Property Tax Temporary Act of 2001 (D.C. Law 14-4, June 13, 2001, law notification 48 DCR 5912).

For temporary (225 day) amendment of section, see § 2(g) of Homestead and Senior Citizen Real Property Tax Temporary Act of 2001 (D.C. Law 14-92, March 19, 2002, law notification 49 DCR 2997).

Section 2(b) of D.C. Law 16-257, in subsec. (f), in par. (1), substituted “applicant (or former owner if there is no applicant)” for “applicant” throughout, in pars. (4) and (5), deleted “(for which notification is required under this subsection)”, and added par. (6) to read as follows:

“(6) Notwithstanding the rescissions of the deduction pursuant to paragraphs (4) and (5) of this subsection, if the applicant’s required ownership interest in the real property is transferred to a new owner, shareholder, or member who does not apply or qualify for the deduction, the real property shall nevertheless be entitled to the apportioned amount of the deduction applicable to the installment payable during the half tax year during which such ownership interest was transferred. At the end of the half tax year, the deduction shall cease. If the applicant purchases another real property or interest in a housing cooperative for which he or she shall make application for the deduction, and the application and purchase occurs during the same half tax year when the transfer occurred, subsections (i) and (j) of this section shall not apply to the extent that both real properties may benefit from the deduction during that half tax year and, thereafter, only the newly purchased real property or housing cooperative in which the applicant acquired newly an interest shall benefit from the applicant’s deduction. Notwithstanding the foregoing, a real property shall not benefit from more than one deduction in any half tax year; provided, that in the case of a housing cooperative, the real property shall

not benefit from more than one deduction related to an eligible household in any half tax year.”; in subsec. (g)(1), substituted “applicant (or former owner if there is no applicant)” for “applicant” throughout; and in subsec. (l), substituted “deduction” for “decrease”.

Section 5(b) of D.C. Law 16-257 provided that the act shall expire after 225 days of its having taken effect.

Section 4(d) of D.C. Law 16-259, in subsec. (f-1), substituted “an appeal of a Class 3 classification” for “a reclassification”.

Section 7(b) of D.C. Law 16-259 provided that the act shall expire after 225 days of its having taken effect.

Section 2(e) of D.C. Law 17-72, in subsec. (f), substituted “applicant (or former owner if there is no applicant)” for “applicant” throughout par. (1), deleted “(for which notification is required under this subsection)” in pars. (4) and (5), and added par. (6) to read as follows:

“(6)(A) Notwithstanding the rescissions of the deduction pursuant to paragraphs (4) and (5) of this subsection, if the applicant’s required ownership interest in the real property is transferred to a new owner, shareholder, or member who does not apply or qualify for the deduction, the real property shall nevertheless be entitled to the apportioned amount of the deduction applicable to the installment payable during the half tax year during which such ownership interest was transferred. At the end of the half tax year, the deduction shall cease.

“(B) If the applicant purchases another real property or interest in a housing cooperative for which he or she shall make application for the deduction, and the application and purchase occurs during the same half tax year when the transfer occurred, subsections (i) and (j) of this section shall not apply to the extent that both real properties may benefit from the deduction during that half tax year and, thereafter, only the newly purchased real property or housing cooperative in which the applicant acquired newly an interest shall benefit from the applicant’s deduction.

“(C) Notwithstanding the foregoing, a real property shall not benefit from more than one deduction in any half tax year; provided, that in the case of a housing cooperative, the real property shall not benefit from more than one deduction related to an eligible household in any half tax year.”; in subsec. (g)(1), substituted “applicant or former owner, and not the real property” for “applicant” the first time it appears, and “applicant or former owner” for “applicant” the second time it appears; and in subsec. (l), substituted “deduction” for “decrease”.

Section 5(b) of D.C. Law 17-72 provided that the act shall expire after 225 days of its having taken effect.



Section 4(d) of D.C. Law 17-102, in subsec. (f-1), substituted "an appeal of a Class 3 classification" for "a reclassification".

Section 7(b) of D.C. Law 17-102 provided that the act shall expire after 225 days of its having taken effect.

Section 2(e) of D.C. Law 17-295, in subsec. (f), substituted "applicant (or former owner if there is no applicant)" for "applicant" in par. (1), deleted "(for which notification is required under this subsection)" in pars. (4) and (5), and added par. (6) to read as follows:

"(6)(A) Notwithstanding the rescissions of the deduction pursuant to paragraphs (4) and (5) of this subsection, if the applicant's required ownership interest in the real property is transferred to a new owner, shareholder, or member who does not apply or qualify for the deduction, the real property shall nevertheless be entitled to the apportioned amount of the deduction applicable to the installment payable during the half tax year during which such ownership interest was transferred. At the end of the half tax year, the deduction shall cease.

"(B) If the applicant purchases another real property or interest in a housing cooperative for which he or she shall make application for the deduction, and the application and purchase occurs during the same half tax year when the transfer occurred, subsections (i) and (j) of this section shall not apply to the extent that both real properties may benefit from the deduction during that half tax year and, thereafter, only the newly purchased real property or housing cooperative in which the applicant acquired newly an interest shall benefit from the applicant's deduction.

"(C) Notwithstanding the foregoing, a real property shall not benefit from more than one deduction in any half tax year; provided, that in the case of a housing cooperative, the real property shall not benefit from more than one deduction related to an eligible household in any half tax year."; in subsec. (g)(1), substituted "applicant or former owner, and not the real property" for "applicant" the first time it appears and substituted "applicant or former owner" for "applicant" the second time it appears; and, in subsec. (l), substituted "deduction" for "decrease".

Section 5(b) of D.C. Law 17-295 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2(c) of Homestead and Senior Citizen Real Property Tax Emergency Act of 2001 (D.C. Act 14-21, March 16, 2001, 48 DCR 2703).

For temporary (90 day) amendment of section, see §§ 2(g), 3 of Homestead and Senior Citizen Real Property Tax Emergency Act of 2001 (D.C. Act 14-190, November 29, 2001, 48 DCR 11219).

For temporary (90 day) amendment of section, see § 2(g) of Homestead and Senior Citizen Real Property Tax Legislative Review Emergency Act of 2001 (D.C. Act 14-226, January 8, 2002, 49 DCR 668).

For temporary (90 day) amendment of section, see §§ 1303(f) and 1304 of Fiscal Year 2003 Budget Support Amendment Emergency Act of 2002 (D.C. Act 14-544, December 4, 2002, 49 DCR 11700).

For temporary (90 day) amendment of section, see §§ 1303(f) and 1304 of the Fiscal Year 2003 Budget Support Amendment Congressional Review Emergency Act of 2003 (D.C. Act 15-27, February 24, 2003, 50 DCR 2151).

For temporary (90 day) amendment of section, see §§ 1303(f) and 1304 of Fiscal Year 2003 Budget Support Amendment Second Congressional Review Emergency Act of 2003 (D.C. Act 15-103, June 20, 2003, 50 DCR 5499).

For temporary (90 day) amendment of section, see § 1162(e) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) amendment of section, see § 1162(e) of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

For temporary (90 day) amendment of section, see §§ 1082(c), 1262(b), 1263, 1264, 1297(a)(3), 1298, 1299 of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

For temporary (90 day) amendment of section, see § 2(b) of Real Property Tax Benefits Revision Emergency Act of 2006 (D.C. Act 16-573, December 19, 2006, 54 DCR 18).

For temporary (90 day) amendment of section, see § 21 of Finance and Revenue Technical Amendments Second Emergency Amendment Act of 2006 (D.C. Act 16-585, December 28, 2006, 54 DCR 340).

For temporary (90 day) amendment of section, see § 4(d) of Nuisance Properties Abatement Reform and Real Property Classification Emergency Amendment Act of 2006 (D.C. Act 16-586, December 28, 2006, 54 DCR 353).

For temporary (90 day) amendment of section, see § 2(e) of Real Property Tax Benefits Revision Emergency Act of 2007 (D.C. Act 17-145, October 17, 2007, 54 DCR 10748).

For temporary (90 day) amendment of section, see § 4(d) of Nuisance Properties Abatement Reform and Real Property Classification Emergency Amendment Act of 2007 (D.C. Act 17-173, November 2, 2007, 54 DCR 11204).

For temporary (90 day) amendment of section, see § 2(e) of Real Property Tax Benefits Revision Congressional Review Emergency Act of 2008 (D.C. Act 17-435, July 16, 2008, 55 DCR 8268).

For temporary (90 day) amendment of section, see § 4(d) of Nuisance Properties Abatement Reform and Real Property Classification Congressional Review Emergency Act of 2008 (D.C. Act 17-436, July 16, 2008, 55 DCR 8272).

For temporary (90 day) amendment of section, see § 2(e) of Real Property Tax Benefits Revision Emergency Act of 2008 (D.C. Act 17-547, October 24, 2008, 55 DCR 11975).

**Legislative history of Law 6-153.** — Law 6-153, the “Real Property Tax Rates for Tax Year 1987 Act of 1986,” was introduced in Council and assigned Bill No. 6-476, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 24, 1986 and July 8, 1986, respectively. Signed by the Mayor on July 16, 1986 it was assigned Act No. 6-195 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 9-53.** — For legislative history of D.C. Law 9-53, see Historical and Statutory Notes following § 47-850.

**Legislative history of Law 9-56.** — For legislative history of D.C. Law 9-56, see Historical and Statutory Notes following § 47-850.

**Legislative history of Law 9-145.** — Law 9-145, the “Omnibus Budget Support Act of 1992,” was introduced in Council and assigned Bill No. 9-222, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on May 12, 1992, and June 2, 1992, respectively. Approved without the signature of the Mayor on June 22, 1992, it was assigned Act No. 9-225 and transmitted to both Houses of Congress for its review. D.C. Law 9-145 became effective on September 10, 1992.

**Legislative history of Law 9-177.** — For legislative history of D.C. Law 9-177, see Historical and Statutory Notes following § 47-812.

**Legislative history of Law 10-127.** — For legislative history of D.C. Law 10-127, see Historical and Statutory Notes following § 47-812.

**Legislative history of Law 14-147.** — For Law 14-147, see notes following § 47-813.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-405.

**Legislative history of Law 14-307.** — For Law 14-307, see notes following § 47-368.01.

**Legislative history of Law 15-105.** — For Law 15-105, see notes following § 47-340.22.

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-308.01.

**Legislative history of Law 15-354.** — For Law 15-354, see notes following § 47-340.03.

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Legislative history of Law 16-191.** — For Law 16-191, see notes following § 42-1102.

**Legislative history of Law 16-305.** — For Law 16-305, see notes following § 47-802.

**Legislative history of Law 17-216.** — For Law 17-216, see notes following § 47-812.

**Legislative history of Law 17-345.** — For Law 17-345, see notes following § 47-845.02.

**Legislative history of Law 19-155.** — For history of Law 19-155, see notes under § 47-825.01a.

**Legislative history of Law 19-165.** — Law 19-165, the “Age-in-Place and Equitable Senior Citizen Real Property Act of 2012,” was introduced in Council and assigned Bill No. 19-512, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on April 17, 2012, and May 1, 2012, respectively. Signed by the Mayor on May 18, 2012, it was assigned Act No. 19-375 and transmitted to both Houses of Congress for its review. D.C. Law 19-165 became effective on July 13, 2012.

**References in text.** — “Section 62 of the Internal Revenue Code,” referred to in (a)(1), is classified to 26 U.S.C. § 62.

**Editor’s notes.** — Application of 14-307: Section 1304 of D.C. Law 14-307 provided: “Sections 1302 and 1303 shall apply as of October 1, 2002.”

Mayor authorized to issue rules: Section 6 of D.C. Law 9-56 provided that the Mayor shall, pursuant to subchapter I of Chapter 5 of Title 2, issue rules to implement the provisions of the act.

Section 3 of D.C. Law 14-147 provided that section 2 shall apply as of October 1, 2001, except insofar as the retroactive application results in an increase of tax to the real property or owner thereof.

Section 15(b) of D.C. Law 14-282 provided: “Sec. 15. Applicability. Section 11(1) shall apply as of October 1, 2001.”

Applicability and expiration of subtitle EE of title I, §§ 1261 to 1265, of D.C. Law 16-33: Sections 1263 and 1264 of D.C. Law 16-33, as amended by section 5(g) of D.C. Law 16-191 and D.C. Law 17-219, § 7068(c), (d), provided:

“Sec. 1263. Applicability; conditional effect.

“(a) Section 1262 shall apply for taxable years beginning after September 30, 2005.”

“(b) Repealed.

“(c) Repealed.

“Sec. 1264. Repealed.”

Applicability and expiration of subtitle KK of title I, §§ 1295 to 1300, of D.C. Law 16-33: Sections 1298 and 1299, as amended by D.C. Law 17-219, § 7068(l), (m) provided:

“Sec. 1298. Conditional applicability.

“(a) Sections 1296 and 1297 shall apply for taxable years beginning after September 30, 2005.

“(b) Repealed.

“Sec. 1299. Repealed.”

Section 3 of D.C. Law 17-345 provided: “Sec. 3. Applicability. (a) Section 2(c)(1)(A) and (B), (c)(2), (e)(1)(A) and (B), and (e)(2) shall apply



for tax years beginning after September 30, 2001.

“(b) Section 2(c)(1)(C) and (e)(1)(C) shall apply as of January 2, 2007.”

Section 3 of D.C. Law 19-165 provided:

“Applicability. Section 2(a) shall apply upon the inclusion of its fiscal effect in an approved budget and financial plan.”

D.C. Law 19-165, § 2(a) amended para-

graphs (a)(1A)(A)(iii)(I)(bb) and (a)(1A)(B)(iii)(II)(bb) of this section by striking the figure “\$100,000” wherever it appears and inserting the figure “\$125,000” in its place, subject to the inclusion of its fiscal effect in an approved budget and financial plan. As of April 1, 2013, this certification has not occurred; therefore the amendment has not been implemented.

## § 47-864. Owner-occupant residential tax credit.

(a) Real property receiving the homestead deduction under § 47-850 or § 47-850.01 shall receive an owner-occupant residential tax credit.

(b) The credit under subsection (a) of this section shall be calculated as follows:

(1)(A) In the case of real property that did not receive the credit under this section in the prior tax year:

(i) Subtract the current tax year’s homestead deduction from the prior tax year’s assessed value; and

(ii) Multiply the amount by 110% to determine the current tax year’s taxable assessment; or

(B) In the case of real property that did receive the credit under this section in the prior tax year:

(i) Multiply the prior tax year’s taxable assessment by 110%; and

(ii) Subtract from that amount the difference of the current tax year’s homestead deduction less the prior tax year’s homestead deduction to determine the current tax year’s taxable assessment.

(2) Subtract the current tax year’s homestead deduction from the current tax year’s assessed value.

(3) Subtract the current tax year’s taxable assessment determined under paragraph (1) of this subsection from the amount determined in paragraph (2) of this subsection;

(4) If the amount determined under paragraph (3) of this subsection is a positive number, multiply the amount by the applicable real property tax rate to determine the credit for the current tax year.

(c) The credit under this section shall not apply if:

(1) During the prior tax year:

(A)(i) The real property was transferred for consideration to a new owner; or

(ii) The return required by §§ 42-1103(d) and 47-903(d) was due;

(B) The value of the real property was increased due to a change in the zoning classification of the real property initiated or requested by the homeowner or anyone having an interest in the real property; or

(C) The assessed value of the real property was clearly erroneous due to an error in calculation or measurement of improvements on the real property;

(2) During the prior calendar year, the real property was assessed under § 47-829; or

(3) During the current tax year, the qualifying homestead deduction applications for dwelling units in a cooperative housing association are:

- (i) Filed for less than 50% of the dwelling units; or
- (ii) Not filed timely for the entire tax year.

(d) Notwithstanding any other provision of this section, if the entire interest in the real property is transferred to a new owner and the real property no longer qualifies as a homestead pursuant to § 47-850 or § 47-851, the real property shall be entitled to the credit applicable to the installment payable during the half tax year during which the ownership interest was transferred. At the end of the half tax year, the credit shall cease.

(e) Notwithstanding any other provision of this chapter, if the current tax year's taxable assessment of a real property receiving the homestead deduction under § 47-850 or § 47-850.01 is less than 40% of the current tax year's assessed value, the current tax year's taxable assessment for purposes of subsection (b)(1) of this section shall be 40% of the current tax year's assessed value.

(f) The credit under this section shall:

- (1) Be nonrefundable;
- (2) Be apportioned equally between each installment during the tax year; and
- (3) Not be carried forward or carried back.

(Oct. 3, 2001, D.C. Law 14-28, § 2012(b), 48 DCR 6981; Oct. 1, 2002, D.C. Law 14-190, § 822, 49 DCR 6968; Apr. 22, 2004, D.C. Law 15-135, § 2(c), 51 DCR 1843; Dec. 7, 2004, D.C. Law 15-205, § 1162(f), 51 DCR 8441; Oct. 20, 2005, D.C. Law 16-33, § 1082(d), 52 DCR 7503; Mar. 2, 2007, D.C. Law 16-191, § 107, 53 DCR 6794; Aug. 16, 2008, D.C. Law 17-219, § 7068(b), 55 DCR 7598; Mar. 3, 2010, D.C. Law 18-111, § 7071(b), 57 DCR 181.)

**Effect of amendments.** — D.C. Law 14-190 rewrote the section.

D.C. Law 15-135, in subsec. (a)(2), deleted “, and subsequent years,” following “2003,” in subssecs. (b) and (c), substituted “credit under subsection (a) of this section” for “credit,” and added subsec. (d).

D.C. Law 15-205, in subssecs. (a)(2), (b), and (c), purported to make changes already made by Law 15-135; and rewrote subsec. (d).

D.C. Law 16-33, in subsec. (d)(3)(A)(i), substituted “new owner and the return required by § 42-1103(d) and § 47-903(d) was due” for “new owner”; rewrote subsec. (d)(2); and added subssecs. (d)(3)(C) and (d)(4).

D.C. Law 16-191 rewrote the section.

D.C. Law 17-219 repealed subsec. (d).

D.C. Law 18-111 rewrote the section.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2 of Owner-Occupant Residential Tax Credit Temporary Act of 2002 (D.C. Law 14-160, June 25, 2002, law notification 51 DCR 6496).

For temporary (225 day) amendment of section, see § 2(e) of Owner-Occupant Residential Tax Credit and Homestead Deductions Tempo-

rary Act of 2004 (D.C. Law 15-159, May 18, 2004, law notification 51 DCR 5699).

Section 4(b) of D.C. Law 16-102 rewrote subpar. (b)(1)(B)(i) to read as follows:

“(i) For tax year 2006:

“(I) The current tax year's taxable assessment shall be determined by subtracting \$22,000 from 110% of the prior tax year's taxable assessment;

“(II) The prior tax year's taxable assessment for taxable real property located in triennial groups 1 and 2, as designated by the Office of Tax and Revenue, that has been owned and occupied continuously by the same owner since October 1, 2001, shall be recalculated by applying a 12% cap as of October 1, 2001; and

“(III) This sub-subparagraph shall apply as of October 1, 2005;”

Section 11(b) of D.C. Law 16-102 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) amendment of section, see §§ 2, 3 of Owner-occupant Residential Tax Credit Emergency Act of 2002 (D.C. Act 14-306, March 25, 2002, 49 DCR 3407).

For temporary (90 day) amendment of section, see § 822 of Fiscal Year 2003 Budget



Support Emergency Act of 2002 (D.C. Act 14-453, July 23, 2002, 49 DCR 8026).

For temporary (90 day) amendment of section, see § 2(e) of Owner-Occupant Residential Tax Credit and Homestead Deduction Clarification Emergency Act of 2004 (D.C. Act 15-374, February 24, 2004, 51 DCR 2618).

For temporary (90 day) amendment of section, see § 1162(f) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) amendment of section, see § 1162(f) of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

For temporary (90 day) amendment of section, see §§ 1082(d), 1083, 1262(c), 1263, 1264, 1286 to 1288 of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

For temporary (90 day) amendment of section, see §§ 3(c), 23, 24 of Finance and Revenue Technical Amendments Second Emergency Amendment Act of 2006 (D.C. Act 16-585, December 28, 2006, 54 DCR 340).

For temporary (90 day) amendment of section, see §§ 7021(b), 7022 of Fiscal Year 2010 Budget Support Emergency Act of 2009 (D.C. Act 18-187, August 26, 2009, 56 DCR 7374).

For temporary (90 day) amendment of section, see § 7071(b) of Fiscal Year 2010 Budget Support Second Emergency Act of 2009 (D.C. Act 18-207, October 15, 2009, 56 DCR 8234).

For temporary (90 day) amendment of section, see § 7071(b) of Fiscal Year Budget Support Congressional Review Emergency Amendment Act of 2009 (D.C. Act 18-260, January 4, 2010, 57 DCR 345).

**Legislative history of Law 14-28.** — For Law 14-28, see notes following § 47-387.51.

**Legislative history of Law 14-190.** — For Law 14-190, see notes following § 47-308.01.

**Legislative history of Law 15-135.** — For Law 15-135, see notes following § 47-850.

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-308.01.

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Legislative history of Law 16-191.** — For Law 16-191, see notes following § 47-308.02.

**Legislative history of Law 17-219.** — For Law 17-219, see notes following § 47-318.05a.

**Legislative history of Law 18-111.** — For Law 18-111, see notes following § 47-305.02.

**Short title.** — Short title of subtitle B of title VIII of Law 14-190: Section 821 of D.C. Law 14-190 provided that subtitle B of title VIII of the act may be cited as the Owner-Occupant Residential Tax Credit of 2002.

Short title of subtitle II of title I of Law 16-33: Section 1285 of D.C. Law 16-33 provided that subtitle II of title I of the act may be cited as the Triennial Group Taxable Assessment Disparity Correction Act of 2005.

Short title: Section 7070 of D.C. Law 18-111 provided that subtitle E of title VII of the act may be cited as the “Owner-Occupant Residential Tax Credit Act of 2009”.

**Editor’s notes.** — Section 3 of Law 15-135 provided that § 2(a), (b), and (c)(3) of the act shall apply as of October 1, 2003.

Section 1083 of D.C. Law 16-33 provided that § 1082(a)(1), (b), (d)(1), and (d)(2)(B) shall apply for taxable years beginning after September 30, 2005.

Applicability and expiration of subtitle EE of title I, §§ 1261 to 1265, of D.C. Law 16-33: Sections 1263 and 1264 of D.C. Law 16-33, as amended by section 5(g) of D.C. Law 16-191 and D.C. Law 17-219, § 7068(c), (d), provided:

“Sec. 1263. Applicability; conditional effect.

“(a) Section 1262 shall apply for taxable years beginning after September 30, 2005.”

“(b) Repealed.

“(c) Repealed.

“Sec. 1264. Repealed.”

Applicability and expiration of §§ 1287 and 1288 of D.C. Law 16-33: Sections 1287 and 1288 of D.C. Law 16-33, as amended by D.C. Law 17-219, § 7068(h), (i), provided:

“Sec. 1287. Conditional applicability.

“(a) Section 1286 shall apply for taxable years beginning after September 30, 2005.

“(b) Repealed.

“Sec. 1288. Repealed.”

Section 7072 of D.C. Law 18-111 provided: “Sec. 7072. Applicability. Section 7071 shall apply to tax periods beginning after September 30, 2009.”

## § 47-864.01. Owner-occupant residential tax credit (conditional). [Repealed].

Repealed.

(Mar. 2, 2007, D.C. Law 16-191, §§ 108(b), 5(i) 53 DCR 6794; Mar. 25, 2009, D.C. Law 17-345, § 2(f), 56 DCR 962; Mar. 25, 2009, D.C. Law 17-353, § 202, 56 DCR 1117; Mar. 3, 2010, D.C. Law 18-111, 7071(c), 57 DCR 181.)

**Temporary Amendment of Section.** — Section 2(f) of D.C. Law 17-72 substituted “back, except as set forth in subsection (c-1) of this section” for “back” in subsec. (d)(3) and added subsec. (c-1) to read as follows:

“(c-1) Notwithstanding any other provision of this section, if the entire interest in the real property is transferred to a new owner and the real property no longer qualifies as a home-stead pursuant to § 47-850 or § 47-851, the real property shall be entitled to the credit applicable to the installment payable during the half tax year during which the ownership interest was transferred. At the end of the half tax year, the credit shall cease.”

Section 5(b) of D.C. Law 17-72 provided that the act shall expire after 225 days of its having taken effect.

Section 2(f) of D.C. Law 17-295 added subsec. (c-1) to read as follows:

“(c-1) Notwithstanding any other provision of this section, if the entire interest in the real property is transferred to a new owner and the real property no longer qualifies as a home-stead pursuant to § 47-850 or § 47-851, the real property shall be entitled to the credit applicable to the installment payable during the half tax year during which the ownership interest was transferred. At the end of the half tax year, the credit shall cease.”; and, in subsec. (d)(3), substituted “back, except as set forth in subsection (c-1) of this section” for “back”.

Section 5(b) of D.C. Law 17-295 provided that the act shall expire after 225 days of its having taken effect.

D.C. Law 17-345 added subsec. (c-1); and, in subsec. (d)(3), inserted “, except as set forth in subsection (c-1) of this section” following “back”.

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2(f) of Real Property Tax Benefits Revision Emergency Act of 2007 (D.C. Act 17-145, October 17, 2007, 54 DCR 10748).

For temporary (90 day) amendment of section, see § 2(f) of Real Property Tax Benefits Revision Congressional Review Emergency Act of 2008 (D.C. Act 17-435, July 16, 2008, 55 DCR 8268).

For temporary (90 day) amendment of section, see § 2(f) of Real Property Tax Benefits Revision Emergency Act of 2008 (D.C. Act 17-547, October 24, 2008, 55 DCR 11975).

For temporary (90 day) repeal, see § 7021(c) of Fiscal Year 2010 Budget Support Emergency Act of 2009 (D.C. Act 18-187, August 26, 2009, 56 DCR 7374).

For temporary (90 day) repeal, see § 7071(c) of Fiscal Year 2010 Budget Support Second Emergency Act of 2009 (D.C. Act 18-207, October 15, 2009, 56 DCR 8234).

For temporary (90 day) repeal, see § 7071(c) of Fiscal Year Budget Support Congressional Review Emergency Amendment Act of 2009 (D.C. Act 18-260, January 4, 2010, 57 DCR 345).

**Legislative history of Law 16-191.** — For Law 16-191, see notes following § 47-308.02.

**Legislative history of Law 17-345.** — For Law 17-345, see notes following § 47-845.02.

**Legislative history of Law 17-353.** — For Law 17-353, see notes following § 47-308.

**Legislative history of Law 18-111.** — For Law 18-111, see notes following § 47-305.02.

**Editor's notes.** — Conditional applicability: Section 1287(a) of D.C. Law 16-33 provided:

“(a) Section 1286 shall apply for taxable years beginning after September 30, 2005; provided, that the condition of subsection (b) of this section is met prior to February 15, 2006; provided further, that section 1286 shall apply for the second half of fiscal year 2006 if the condition of subsection (b) of this section is met after February 14, 2006 and prior to August 5, 2006.”

Section 7072 of D.C. Law 18-111 provided: “Sec. 7072. Applicability. Section 7071 shall apply to tax periods beginning after September 30, 2009.”

## § 47-865. Tax abatement for preservation of section 8 housing in qualified areas.

(a) For the purposes of this section and § 47-866, the term:

(1) “Affordable multifamily housing property” means residential real property consisting of 5 or more dwelling units in which, as the result of use restrictions or other covenants, at least 20% of the dwelling units are occupied by very low-income households.

(2)(A) “Area median income” means:

(i) For a household of 4 persons, the area median income for a household of 4 persons in the Washington Metropolitan Statistical Area as set forth in the periodic calculation provided by the United States Department of Housing and Urban Development;



(ii) For a household of 3 persons, 90% of the area median income for a household of 4 persons;

(iii) For a household of 2 persons, 80% of the area median income for a household of 4 persons;

(iv) For a household of one person, 70% of the area median income for a household of 4 persons;

(v) For a household of more than 4 persons, the area median income for a household of 4 persons, increased by 10% of the area median income for a family of 4 persons for each household member exceeding 4 persons.

(B) Any percentage of household income referenced in this section or § 47-866 (e.g., 80% of household income) shall be determined through a direct mathematical calculation and shall not take into account any adjustments made by the United States Department of Housing and Urban Development for the purposes of the programs it administers.

(3) "HAP contract" means a project-based housing assistance payments contract executed between the owner of an affordable multifamily housing property and the Secretary or a public housing agency pursuant to the United States Housing Act of 1937.

(4) "Household income" shall have the same meaning as "household gross income" in § 47-1806.06(b)(2).

(5) "Housing accommodation" shall have the same meaning as in section 103(11) of the Rental Housing Conversion and Sale Act of 1980, effective September 10, 1980 (D.C. Law 3-86; D.C. Official Code § 42-3401.03(11)).

(6) "Low-income household" means a household consisting of one or more individuals with a household income equal to, or less than, 80% of the area median income and greater than 50% of the area median.

(7) "Qualified area" means a census tract in which the average rent for one bedroom and 2-bedroom apartments exceeds the fair market rent by 25% or more.

(8) "Secretary" means the Secretary of the United States Department of Housing and Urban Development.

(9) "Tenant" shall have the same meaning as in section 103(36) of the Rental Housing Act of 1985, effective July 17, 1985 (D.C. Law 6-10; D.C. Official Code § 42-3501.03(36)).

(10) "United States Housing Act of 1937" means the United States Housing Act of 1937, approved September 1, 1937 (50 Stat. 888; 42 U.S.C. § 1437 et seq.).

(b) Subject to subsection (c) of this section, if the owner of a housing accommodation that receives assistance pursuant to a HAP contract that is scheduled to expire after December 31, 2001, renews or extends the contract, or transfers the property to an owner who enters into a new contract with substantially the same use restrictions, the real property tax imposed on the property under § 47-811, or the payment in lieu of taxes imposed by § 47-1002(20), shall be reduced as follows:

(1) If the contract is renewed for 5 years, the owner shall receive a tax abatement equal to 75% of the tax imposed by § 47-811, or the payment in lieu of taxes imposed by § 47-1002(20), for the taxable year in which the renewed contract begins and for each of the 4 taxable years thereafter.

(2) If the contract is renewed for 10 years, the owner shall receive a tax abatement equal to 100% of the tax imposed by § 47-811, or the payment in lieu of taxes imposed by § 47-1002(20), for the taxable year in which the renewed contract begins and for each of the 9 taxable years thereafter.

(c) The tax abatement provided in subsection (a) of this section shall be allowed only if:

(1) The housing accommodation is located in a qualified area;

(2) The housing accommodation would not be subject to a reduction in federal subsidy as a result of receiving the tax abatement.

(d)(1) On or before the first day of the tax year for which a tax abatement is first granted, the Mayor shall certify to the Office of Tax and Revenue a list of the qualified properties which specifies the exact parcel subject to abatement, an estimate of the tax abatement, and a statement that the property owner qualifies for the abatement.

(2) The tax abatement shall be computed by the Office of Tax and Revenue by comparing the assessment of the qualified property for the first year that the property is qualified or the assessment in any succeeding year and comparing it to the assessment in the base year which is the assessment on the tax roll for the year preceding the first year for which the tax abatement is first received less any new construction first assessed in the base year. The tax abatement percentage shall be applied to the difference between base year assessment and the current year's assessment for each tax year. The Mayor shall certify to the Office of Tax and Revenue that each property owner and each property qualifies for the program annually regarding income level and mix of tenants.

(e) This section shall apply for tax years beginning on or after October 1, 2002.

(Apr. 19, 2002, D.C. Law 14-114, § 291, 49 DCR 1468.)

**Legislative history of Law 14-114.** — For Law 14-114, see notes following § 47-857.01.

**Delegation of Authority.** — Delegation of Authority-Tax Abatements under Section 291 of the Housing Act of 2002, see Mayor's Order 2009-202, November 25, 2009 (56 DCR 9222).

**Editor's notes.** — Building permit fee—Historic rehabilitation deemed new construction: Section 303 of D.C. Law 14-114, provided: "A residential project involving the rehabilitation of an individually designated landmark building or a building located in an historic district that provides more than 100 apartment

units and involves the replacement of all building systems (mechanical, plumbing, electrical) shall be deemed new construction for the purposes of calculating the building permit fee. This section shall apply to any building permits issued after October 31, 2001."

Section 1101 of D.C. Law 14-114 provided: "The Mayor, pursuant to Title I of the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1204; D.C. Official Code § 2-501 et seq.), shall promulgate rules to implement this act."

## § 47-866. Tax abatement for improvements to section 8 and other affordable housing.

(a)(1) Subject to subsection (b) and (d) of this section, if improvements of at least \$10,000 are made within a 24-month period to each of the dwelling units in an eligible low-income housing development, the real property tax imposed on the property by § 47-811 shall be reduced by 100% for 5 years beginning in



the year in which qualified improvements to all of the dwelling units have been completed and all of the dwelling units are ready for occupancy.

(2) A property which receives a tax abatement under this section shall be maintained as an eligible low-income housing development throughout the 5-year tax abatement period.

(b) The tax abatement provided in subsection (a) of this section shall be allowed only if:

(1) An application requesting certification of the housing accommodation and planned improvements as eligible for the tax abatement is submitted to the Mayor at least 30 days before physical improvements to the property are begun;

(2) The Mayor approves the application submitted under paragraph (1) of this subsection;

(3) The Mayor certifies completion of the improvements;

(4) The property is maintained as an eligible low-income housing development during each tax year for which the reduction would be allowed;

(5) The improvements are made after December 31, 2001; and

(6) The housing accommodation does not receive assistance pursuant to a HAP contract or other assistance program which allows for the recovery of the costs of rehabilitation, to the extent such recovery is allowed.

(c) The Mayor may certify a housing accommodation as eligible to receive the tax abatement allowed by this section if at least 25% of the units are affordable to a household consisting of one or more individuals with a household income equal to, or less than, 50% of the area median income, and the Mayor determines, in writing and pursuant to rules promulgated by the Mayor, that the improvements are not likely to be made unless the tax abatement is received.

(d) The Mayor may approve tax abatements under this section to the extent that the cumulative amount of the abatements for any fiscal year shall not exceed \$1 million.

(e)(1) On or before the first day of the tax year for which a tax abatement is first granted, the Mayor shall certify to the Office of Tax and Revenue a list of the qualified properties which specifies the exact parcel subject to abatement, an estimate of the tax abatement, and a statement that the property owner qualifies for the abatement.

(2) The tax abatement shall be computed by the Office of Tax and Revenue by comparing the assessment of the qualified property for the first year that the property is qualified or the assessment in any succeeding year and comparing it to the assessment in the base year which is the assessment on the tax roll for the year preceding the first year for which the tax abatement is first received less any new construction first assessed in the base year. The tax abatement percentage shall be applied to the difference between base year assessment and the current year's assessment for each tax year. The Mayor shall certify to the Office of Tax and Revenue that each property owner and each property qualifies for the program annually regarding income level and mix of tenants.

(f) This section shall apply for tax years beginning on or after October 1, 2002.

(Apr. 19, 2002, D.C. Law 14-114, § 291, 49 DCR 1468.)

**Temporary Addition of Section.** — Sections 2 and 3 of D.C. Law 15-230 added provisions reading as follows:

“Sec. 2. Definitions.

“For the purposes of this act, the term:

“(1) ‘Administrative costs’ means costs of the Department to administer and monitor the distribution of low-income housing tax credits and to assess and collect fees under this act, including personnel, operations, maintenance, and monitoring of the Low-Income Housing Tax Credit Program, as well as any other obligations, whether incurred before or after the effective date of this act.

“(2) ‘Department’ means the Department of Housing and Community Development.

“(3) ‘Developer’ means a person or entity that proposes to construct affordable housing using tax credits provided under the Low-Income Tax Credit Program.

“(4) ‘Fund’ means the Low-Income Housing Tax Credit Fund.

“(5) ‘Low-Income Tax Credit Program’ means the program established under section 42 of the Internal Revenue Code to encourage new construction and rehabilitation of existing rental housing for low-income households and to increase the amount of affordable rental housing for households with income at or below specified income levels.

“(6) ‘Monitoring’ means the regular evaluation and monitoring of units financed by the Low-Income Housing Tax Credit Program.

“(7) ‘User Fees’ means any fees charged to the applicants and users of the Low-Income Housing Tax Credit Program including application, reservation, allocation, and monitoring fees.

“Sec. 3. Low-Income Housing Tax Credit Fund.

“(a) There is established a segregated nonlapsing proprietary fund to be known as the Low-Income Housing Tax Credit Fund (“Fund”). All user fees collected under this act, and all interest earned on those fees, shall be deposited into the Fund without regard to fiscal year limitation pursuant to an act of Congress.

“(b) All revenues deposited into the Fund shall not revert to the General Fund of the District of Columbia at the end of any fiscal year or any other time, but shall be continually available to the Department for the purposes

set forth in this act, subject to authorization by Congress in an appropriations act.

“(c) All revenue deposited into the Fund shall be expended by the Department for administrative costs for administering and monitoring the Low-Income Housing Tax Credit Program. The Fund shall not be used for any other purpose.

“(d) The Mayor shall submit to the Council, as a part of the annual budget, a requested appropriation for expenditures from the Fund. Any revenue received but not expended in a fiscal year shall be retained by the Fund.

“(e) All income and expenses of the Fund shall be audited annually by the Mayor. The audit report shall be provided to the Council. The expenses for each audit shall be paid by the Fund.”

Section 5(b) of D.C. Law 15-230 provided that the act shall expire after 225 days of its having taken effect.

**Legislative history of Law 14-114.** — For Law 14-114, see notes following § 47-857.01.

**Legislative history of Law 15-230.** — Law 15-230, the “Low-Income Housing Tax Credit Fund Temporary Act of 2004”, was introduced in Council and assigned Bill No. 15-927, and was retained by the Council. The Bill was adopted on first and second readings on July 13, 2004, and October 5, 2004, respectively. Signed by the Mayor on November 1, 2004, it was assigned Act No. 15-570 and transmitted to both Houses of Congress for its review. D.C. Law 15-230 became effective on March 16, 2005.

**Editor's notes.** — Building permit fee—Historic rehabilitation deemed new construction: Section 303 of D.C. Law 14-114, provided: “A residential project involving the rehabilitation of an individually designated landmark building or a building located in an historic district that provides more than 100 apartment units and involves the replacement of all building systems (mechanical, plumbing, electrical) shall be deemed new construction for the purposes of calculating the building permit fee. This section shall apply to any building permits issued after October 31, 2001.”

Section 1101 of D.C. Law 14-114 provided: “The Mayor, pursuant to Title I of the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1204; D.C. Official Code § 2-501 et seq.), shall promulgate rules to implement this act.”

## § 47-867. Public charter school real property tax rebate.

(a) A public charter school that leases a school facility from an entity subject to tax under this chapter shall receive a rebate of that portion of the tax, if any, that represents the public charter school's pro rata share of the lessor's tax on the property if:



- (1) It is liable under the lease for the pro rata share of the tax;
- (2) It applies for the rebate of the tax on or before September 15 of the calendar year in which the school year ended; and
- (3) The lessor paid the tax.
- (b) The rebate shall be the amount of the portion of the tax paid by the public charter school.
- (c) The application shall include:
  - (1) A copy of the lease; and
  - (2) Documentation the tax has been paid.
- (d) If a proper application has been made, the Mayor shall rebate the tax on or before December 31 of the same calendar year.

(Apr. 5, 2005, D.C. Law 15-275, § 2(b), 52 DCR 829.)

**Legislative history of Law 15-275.** — Law 15-275, the “Public Charter School Real Property Tax Rebate Act of 2004”, was introduced in Council and assigned Bill No. 15-304, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 9, 2004, and

December 7, 2004, respectively. Signed by the Mayor on December 29, 2004, it was assigned Act No. 15-666 and transmitted to both Houses of Congress for its review. D.C. Law 15-275 became effective on April 5, 2005.

**Effective date.** — Section 7052 of D.C. Law 17-219 repealed section 3 of D.C. Law 15-275.

#### *Subchapter IV. Condominium and Cooperative Trash Collection Tax Credit.*

### **§ 47-871. Definitions.**

For the purposes of this subchapter, the term:

- (1) “Condominium”, “cooperative housing association”, “dwelling unit”, or “nontransient” shall have the same meaning as the terms have in § 47-813(d); and
- (2) “Homeowners association” means a mandatory membership association of owners of residential real property created and formed pursuant to a recorded instrument including a declaration of covenants, limitations, and conditions, which subjects property within the homeowners association to certain restrictive covenants.

(Oct. 2, 1990, D.C. Law 8-180, § 2, 37 DCR 5039; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-871.  
**Legislative history of Law 8-180.** — Law 8-180, the “Condominium and Cooperative Trash Collection Tax Credit of 1990,” was introduced in Council and assigned Bill No. 8-20, which was referred to the Committee on Finance and Revenue and reassigned to the Com-

mittee on Finance and Revenue. The Bill was adopted on first and second readings on June 12, 1990, and June 26, 1990, respectively. Signed by the Mayor on July 18, 1990, it was assigned Act No. 8-248 and transmitted to both Houses of Congress for its review.

### **§ 47-872. Computation of tax; annual adjustment; limitations.**

- (a) For purposes of computing taxes on real property in the District of

Columbia, Class 1 Property shall be allowed a credit against the tax imposed under § 47-811.

(b) The credit shall not be allowed for a single dwelling unit owned as a condominium if the single dwelling unit:

(1) Is located in a condominium building with 3 or fewer dwelling units; or

(2) Receives trash collection services provided by the Mayor, other than collection of recyclable materials provided pursuant to Chapter 10 of Title 8 [§ 8-1001 et seq.].

(c) The credit shall be an amount equal to \$60 and shall be adjusted annually beginning in the tax year beginning July 1, 1992, and ending June 30, 1993, and in each subsequent tax year, in accordance with subsection (d) of this section.

(d) The credit shall be adjusted annually by the addition to the prior tax year credit of an amount equal to the percentage increase in the local Consumer Price Index for all items during the calendar year in which the tax year begins, rounded to the nearest whole dollar.

(e) The amount of the credit allowed under this section shall not exceed the amount of property tax otherwise due.

(Oct. 2, 1990, D.C. Law 8-180, § 3, 37 DCR 5039; Sept. 26, 1995, D.C. Law 11-52, § 108(a), 42 DCR 3684; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 504(b), 48 DCR 334; June 5, 2003, D.C. Law 14-307, § 1303(g), 49 DCR 11664; Apr. 13, 2005, D.C. Law 15-354, § 73(b)(7), 52 DCR 2638.)

**Prior Codifications.** — 1981 Ed., § 47-872.

**Effect of amendments.** — D.C. Law 13-305, in subsec. (d), substituted “percentage increase in the local Consumer Price Index for all items” for “percentage increase in the Consumer Price Index for All Urban Consumers (“CPI-U”) for all items, in the Washington, D.C. Standard Metropolitan Statistical Area.”

D.C. Law 14-307 rewrote subsec. (a); and in subsec. (b), deleted “or a single dwelling unit that is owned by a member of a homeowners association if the condominium or” following “condominium”.

D.C. Law 15-354, in subsec. (b), validated a previously made technical correction.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 4(c) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary amendment of section, see § 108(a) of the Omnibus Budget Support Congressional Review Emergency Act of 1995 (D.C. Act 11-124, July 27, 1995, 42 DCR 4160).

For temporary (90 day) amendment of section, see § 4(b) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see §§ 1303(g) and 1304 of Fiscal Year 2003 Budget Support Amendment Emergency Act of 2002 (D.C. Act 14-544, December 4, 2002, 49 DCR 11700).

For temporary (90 day) amendment of section, see §§ 1303(g) and 1304 of the Fiscal Year 2003 Budget Support Amendment Congressional Review Emergency Act of 2003 (D.C. Act 15-27, February 24, 2003, 50 DCR 2151).

For temporary (90 day) amendment of section, see §§ 1303(g) and 1304 of Fiscal Year 2003 Budget Support Amendment Second Congressional Review Emergency Act of 2003 (D.C. Act 15-103, June 20, 2003, 50 DCR 5499).

**Legislative history of Law 8-180.** — For legislative history of D.C. Law 8-180, see Historical and Statutory Notes following § 47-871.

**Legislative history of Law 11-52.** — For legislative history of D.C. Law 11-52, see Historical and Statutory Notes following § 47-811.01.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Legislative history of Law 14-307.** — For Law 14-307, see notes following § 47-368.01.

**Legislative history of Law 15-354.** — For Law 15-354, see notes following § 47-340.03.

**Editor’s notes.** — Application of Law 14-307: Section 1304 of D.C. Law 14-307 provided:



"Sections 1302 and 1303 shall apply as of October 1, 2002."

### § 47-873. Computation of tax; annual adjustment; limitations — Cooperative housing associations.

(a) For purposes of computing taxes on real property in the District of Columbia, Class 1 Property owned by a cooperative housing association shall be allowed a credit against the tax imposed under § 47-811.

(b) The credit shall not be allowed for Class 1 Property owned by a cooperative housing association if the Class 1 Property:

(1) Has 3 or fewer dwelling units; or

(2) Receives trash collection services provided by the Mayor other than the collection of recyclable materials provided pursuant to Chapter 10 of Title 8.

(c) The credit shall be an amount equal to \$60 multiplied by the number of dwelling units that are occupied by the shareholders or members of the cooperative housing association. The credit shall be adjusted annually beginning in the tax year beginning July 1, 1992, and ending June 30, 1993, and in each subsequent tax year, in accordance with subsection (d) of this section.

(d) The credit shall be adjusted annually by the addition to the prior tax year credit of an amount equal to the percentage increase in the local Consumer Price Index for all items during the calendar year in which the tax year begins, rounded to the nearest whole dollar.

(e) The amount of the credit allowed under this section shall not exceed the amount of property tax otherwise due.

(Oct. 2, 1990, D.C. Law 8-180, § 4, 37 DCR 5039; Sept. 26, 1995, D.C. Law 11-52, § 108(b), 42 DCR 3684; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 504(c), 48 DCR 334; June 5, 2003, D.C. Law 14-307, § 1303(h), 49 DCR 11664.)

**Prior Codifications.** — 1981 Ed., § 47-873.

**Effect of amendments.** — D.C. Law 13-305, in subsec. (d), substituted "percentage increase in the local Consumer Price Index for all items" for "percentage increase in the Consumer Price Index for All Urban Consumers ("CPI-U") for all items, in the Washington, D.C. Standard Metropolitan Statistical Area."

D.C. Law 14-307 rewrote subsec. (a); and in subsec. (b), substituted "Class 1 Property" for "improved residential real property" in two different places.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 4(d) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary amendment of section, see § 108(b) of the Omnibus Budget Support Congressional Review

Emergency Act of 1995 (D.C. Act 11-124, July 27, 1995, 42 DCR 4160).

For temporary (90 day) amendment of section, see § 4(c) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see §§ 1303(h) and 1304 of Fiscal Year 2003 Budget Support Amendment Emergency Act of 2002 (D.C. Act 14-544, December 4, 2002, 49 DCR 11700).

For temporary (90 day) amendment of section, see §§ 1303(h) and 1304 of the Fiscal Year 2003 Budget Support Amendment Congressional Review Emergency Act of 2003 (D.C. Act 15-27, February 24, 2003, 50 DCR 2151).

For temporary (90 day) amendment of section, see §§ 1303(h) and 1304 of Fiscal Year 2003 Budget Support Amendment Second Congressional Review Emergency Act of 2003 (D.C. Act 15-103, June 20, 2003, 50 DCR 5499).

**Legislative history of Law 8-180.** — For legislative history of D.C. Law 8-180, see Historical and Statutory Notes following § 47-871.

**Legislative history of Law 11-52.** — For legislative history of D.C. Law 11-52, see Historical and Statutory Notes following § 47-811.01.

**Legislative history of Law 13-305.** — For Law 13-305, see notes following § 47-405.

**Legislative history of Law 14-307.** — For Law 14-307, see notes following § 47-368.01.

**Editor's notes.** — Application of Law 14-307: Section 1304 of D.C. Law 14-307 provided: "Sections 1302 and 1303 shall apply as of October 1, 2002."

## § 47-874. Regulations.

The Chief Financial Officer may promulgate regulations to carry out the purpose of this chapter and amend or repeal any existing regulations promulgated to carry out the purpose of this chapter.

(Oct. 2, 1990, D.C. Law 8-180, § 5, 37 DCR 5039; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Oct. 3, 2001, D.C. Law 14-28, § 2002(h), 48 DCR 6981.)

**Prior Codifications.** — 1981 Ed., § 47-874.

**Effect of amendments.** — D.C. Law 14-28 rewrote the section.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2(h) of Real Property Tax Assessment Transition Temporary Act of 2001 (D.C. Law 14-23, September 6, 2001, law notification 48 DCR 9093).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2(h) of Real Property Tax Assessment Transition

Emergency Act of 2001 (D.C. Act 14-44, April 18, 2001, 48 DCR 3844).

For temporary (90 day) amendment of section, see § 2(h) of Real Property Tax Assessment Transition Congressional Review Emergency Act of 2001 (D.C. Act 14-116, August 3, 2001, 48 DCR 7659).

**Legislative history of Law 8-180.** — For legislative history of D.C. Law 8-180, see Historical and Statutory Notes following § 47-871.

**Legislative history of Law 14-28.** — For Law 14-28, see notes following § 47-387.51.

## § 47-875. Applicability of other provisions to this chapter.

The provisions of Chapter 41, §§ 47-4310 and 47-4311, §§ 47-4431 through 47-4440, and § 47-4452(a) shall apply to this chapter. No other provisions of chapters 42, 43 and 44 shall apply to this chapter.

(Apr. 4, 2003, D.C. Law 14-282, § 11(m), 50 DCR 896.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 12(m) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) addition of section, see § 12(m) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Emergency legislation.** — For temporary (90 day) addition of this section, see § 12(m) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) addition of this section, see § 12(m) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) addition of this section, see § 12(m) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-405.



## § 47-876. Costs for records and data; miscellaneous charges.

The Mayor may establish and collect costs related to the compilation and production of records, data, and maps in electronic media or tangible formats. The Mayor may also establish and collect charges, including royalties, pursuant to a contract, for goods and services and the licensing of intellectual property rights. Costs and charges collected under this section shall be deposited into the Recorder of Deeds Automation and Infrastructure Improvement Fund under § 42-1214.

(Apr. 4, 2003, D.C. Law 14-282, § 11(m), 50 DCR 896.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 12(m) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) addition of section, see § 12(m) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Emergency legislation.** — For temporary (90 day) addition of this section, see § 12(m) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) addition of this section, see § 12(m) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) addition of this section, see § 12(m) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-405.

## § 47-877. Appeals under this chapter.

Petitions and appeals under this chapter shall not be deemed adjudicated cases for the purposes of §§ 2-1831.01 through 2-1831.16.

(Apr. 4, 2003, D.C. Law 14-282, § 11(m), 50 DCR 896.)

**Temporary Addition of Section.** — For temporary (225 day) amendment of section, see § 12(m) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(m) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Emergency legislation.** — For temporary (90 day) addition of this section, see § 12(m) of Tax Clarity and Recorder of Deeds Emergency

Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) addition of this section, see § 12(m) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) addition of this section, see § 12(m) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-405.

### *Subchapter V. New York Avenue Metro Special Assessment District.*

## § 47-881. Definitions.

For the purposes of this subchapter, the term:

(1) "Chief Financial Officer" or "CFO" means the Chief Financial Officer of the District established by § 47-317.01(a) [see now § 1-204.24a].

(2) "District" means the District of Columbia.

(3) "General Obligation Bonds" means the District of Columbia general obligation bonds issued, or to be issued, by the District, of which net proceeds in the amount of \$25 million shall be paid to the Washington Metropolitan Area Transit Authority to be used to pay costs of the New York Avenue Metro Project.

(4) "New York Avenue Metro Project" means the acquisition, construction, and equipping of a new Metrorail station to be located in the vicinity of New York and Florida Avenues, N.E., Washington, D.C.

(5) "New York Avenue Metrorail Benefit Area" or "MBA" means the special assessment district established under § 47-882.

(6) "New York Avenue Metrorail Benefit Area Account" means the account established under § 47-884.

(7) "Special Assessment Annual Collection Amount" means the amount established under § 47-883.

(8) "Special Assessment Factor" means the Special Collection Amount divided by the aggregate assessed value of real property subject to this subchapter, as determined and adjusted under § 47-883.

(9) "Special Assessment Total Collection Amount" means the aggregate amount of collections under this subchapter established under § 47-883.

(10) "Tax lot" means a tax lot as shown on the real property tax records of the District.

(Oct. 26, 2001, D.C. Law 14-44, § 2, 48 DCR 7665.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 2(b) of New York Avenue Metro Special Assessment Authorization Temporary Act of 2001 (D.C. Law 14-25, October 2, 2001, law notification 48 DCR 9564).

**Emergency legislation.** — For temporary (90 day) addition of section, see § 2 of New York Avenue Metro Special Assessment Authorization Emergency Act of 2001 (D.C. Act 14-64, June 6, 2001, 48 DCR 5714).

For temporary (90 day) addition of section, see § 2 of New York Avenue Metro Special Assessment Authorization Legislative Review

Emergency Act of 2001 (D.C. Act 14-115, August 3, 2001, 48 DCR 7652).

**Legislative history of Law 14-44.** — Law 14-44, the "New York Avenue Metro Special Assessment Authorization Act of 2001", was introduced in Council and assigned Bill No. 14-147, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 26, 2001, and July 10, 2001, respectively. Signed by the Mayor on July 24, 2001, it was assigned Act No. 14-117 and transmitted to both Houses of Congress for its review. D.C. Law 14-44 became effective on October 26, 2001.

## § 47-882. Establishment of special assessment district.

There is hereby established the New York Avenue Metrorail Benefit Area, which shall comprise those tax lots substantially within 2,500 feet from the entrances of the proposed in-fill rail transit station and which are not within 1,250 feet of the existing Union Station rail transit station, more particularly described as all lots included in the following squares or parcels: 616, 617, 618, 619, 620, 621, 668, 669, 670, 671, 672, 673, 674, 709, 710, 710E, 711, 711E, 712, 713, 714, 747, 747N, 748, 749, 772, 772N, 773, 774, 804, 805, 806, 828, 829, 830, 855, 855N, 856, 886, 887, 3514, 3516, 3518, 3519, 3520, 3521, 3522, 3523,



3524, 3527, 3569, 3570, 3571, 3572, 3573, 3574, 3575, 3576, 3580, 3581, 3582, 3583, 3584, 3585, 3587, 3588, 3589, 3590, 3591, 3592, 3593, 3594, 3598, 3600, 3601, 3602, 3603, 3605, 3606, and 3607, and RES0278 and parcel 117; within parcel 129, lots 9, 10, 27, 28, 30, 32, 34, 43, 45, 51, 57, 70, 77, 89, 90, 95, 96, 102, 103, 104, 106, and 112; within parcel 130, lots 57 and 58, and within parcel 141, lot 69.

(Oct. 26, 2001, D.C. Law 14-44, § 2, 48 DCR 7665.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 2(b) of New York Avenue Metro Special Assessment Authorization Temporary Act of 2001 (D.C. Law 14-25, October 2, 2001, law notification 48 DCR 9564).

**Emergency legislation.** — For temporary (90 day) addition of section, see § 2 of New York Avenue Metro Special Assessment Authoriza-

tion Emergency Act of 2001 (D.C. Act 14-64, June 6, 2001, 48 DCR 5714).

For temporary (90 day) addition of section, see § 2 of New York Avenue Metro Special Assessment Authorization Legislative Review Emergency Act of 2001 (D.C. Act 14-115, August 3, 2001, 48 DCR 7652).

**Legislative history of Law 14-44.** — For Law 14-44, see notes following § 47-881.

### § 47-883. Levy of special assessment; protest; termination of levy.

(a)(1) Beginning with tax year 2002, there is hereby levied a special assessment upon each tax lot of real property located within the MBA which:

(A) Is shown on the zoning map of the District as being located in a district that is zoned commercial;

(B) Is not exempt from real property tax under Chapter 8 of this title; and

(C) At any time after December 31, 2000, included a land area of at least 10,000 square feet.

(2) When a special assessment under this subchapter appears on the real property tax bill, the special assessment shall not be required to be certified for purposes of Chapter 13A of this title.

(b) Within 120 days after [June 6, 2001], the CFO shall determine the total debt service projected to be paid on the initial General Obligation Bonds from their date of issuance through maturity, which amount shall constitute the Special Assessment Total Collection Amount; provided, that the Special Assessment Total Collection Amount shall be subject to adjustment after the initial determination if the CFO determines and certifies that the actual debt service payable on the initial General Obligation Bonds will be less than the amount projected. The Special Assessment Annual Collection Amount shall be  $\frac{1}{30}$  of the Special Assessment Total Collection Amount.

(c) Within 120 days after [June 6, 2001], the CFO shall determine the tax lots of real property which are subject to the special assessment under subsection (a) of this section, the total assessed value real property tax purposes of each tax lot, and the aggregate total assessed value for real property tax purposes of all tax lots. The valuation shall be determined as of the real property tax valuation date for tax year 2000.

(d) Within 120 days after [June 6, 2001], the CFO shall determine the Special Assessment Factor, which shall be computed by dividing the Special

Assessment Annual Collection Amount by the aggregate assessed value determined under subsection (c) of this section; provided, that the CFO may increase the Special Assessment Factor at any time by the amount that the CFO determines to be necessary to ensure that the special assessments under this section shall be at least equal to the Special Assessment Annual Collection Amount in each year. The special assessment applicable to each tax lot shall be determined by multiplying the Special Assessment Factor by the total assessed value of each tax lot as of [June 6, 2001], or, for any tax lot which becomes subject to the special assessment after [June 6, 2001], the date on which the tax lot becomes subject to the special assessment. Each special assessment shall be made part of the public record.

(e)(1) Within 180 days after [June 6, 2001], the CFO shall give notice of the special assessment to the owner, as shown on the real property tax records of the District, of each tax lot of real property which is subject to the special assessment under this subchapter on [June 6, 2001]. The notice shall state the amount of the proposed special assessment and the procedure for any protest with respect to the special assessment.

(2) If a tax lot becomes subject to this subchapter after [June 6, 2001], the CFO shall give notice of the special assessment to the owner, as shown on the real property tax records of the District, of such tax lot. The notice shall state the amount of the proposed special assessment and the procedure for any protest with respect to the special assessment.

(f) The owner of a tax lot subject to special assessment under this subchapter may protest the amount of a special assessment levied by filing a protest with the Real Property Tax Appeals Commission for the District of Columbia ("Commission"), on a form prescribed by The Real Property Tax Appeals Commission for the District of Columbia, within 30 days after notice of assessment. The protest shall be reviewed by the Real Property Tax Appeals Commission for the District of Columbia in accordance with § 47-825.1. Each decision of the Real Property Tax Appeals Commission for the District of Columbia shall be maintained by the Board and shall be made available for examination and photocopying at cost to any requestor.

(g) Special assessments levied under this subchapter shall be collected at the same time and in the same manner as real property taxes under this chapter are collected.

(h) An unpaid special assessment shall be subject to the same penalty and interest provisions as a delinquent real property tax under this chapter. A lien for an unpaid special assessment, including penalty and interest, shall attach to the real property in the same manner and with the same priority as a lien for delinquent real property tax under Chapter 13A of this title. The unpaid special assessment shall be collected in accordance with Chapter 13A of the title.

(i) The levy of special assessments shall terminate on the date on which the Special Assessment Total Collection Amount has been received by the District, as certified by the CFO to the Mayor under § 47-884.

(Oct. 26, 2001, D.C. Law 14-44, § 2, 48 DCR 7665; June 12, 2003, D.C. Law



14-310, § 11(b), 50 DCR 1092; Apr. 8, 2011, D.C. Law 18-363, § 3(g)(9), 58 DCR 963.)

**Effect of amendments.** — D.C. Law 14-310, in subpar. (1)(B) of subsec. (a), substituted “Chapter 8” for “Chapter 13A”.

D.C. Law 18-363 substituted “Real Property Tax Appeals Commission for the District of Columbia” for “Board of Real Property Assessments and Appeals”.

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 2(b) of New York Avenue Metro Special Assessment Authorization Temporary Act of 2001 (D.C. Law 14-25, October 2, 2001, law notification 48 DCR 9564).

**Emergency legislation.** — For temporary (90 day) addition of section, see § 2 of New York

Avenue Metro Special Assessment Authorization Emergency Act of 2001 (D.C. Act 14-64, June 6, 2001, 48 DCR 5714).

For temporary (90 day) addition of section, see § 2 of New York Avenue Metro Special Assessment Authorization Legislative Review Emergency Act of 2001 (D.C. Act 14-115, August 3, 2001, 48 DCR 7652).

**Legislative history of Law 14-44.** — For Law 14-44, see notes following § 47-881.

**Legislative history of Law 14-310.** — For Law 14-310, see notes following § 47-365.

**Legislative history of Law 18-363.** — For history of Law 18-363, see notes under § 47-412.01.

## § 47-884. Application of assessment.

The CFO shall establish the New York Avenue Metrorail Benefit Area Account within the General Fund for the deposit and application of special assessment revenues from the New York Avenue Metrorail Benefit Area. Monies held, or to be held, in New York Avenue Metrorail Benefit Area Account shall be used to pay the principal of, and interest on, the General Obligation Bonds or any other then outstanding District of Columbia general obligation bonds. When the total aggregate deposits into the New York Avenue Metrorail Benefit Area Account are equal to the Special Assessment Total Collection Amount, the CFO shall so certify to the Mayor.

(Oct. 26, 2001, D.C. Law 14-44, § 2, 48 DCR 7665.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 2(b) of New York Avenue Metro Special Assessment Authorization Temporary Act of 2001 (D.C. Law 14-25, October 2, 2001, law notification 48 DCR 9564).

**Emergency legislation.** — For temporary (90 day) addition of section, see § 2 of New York Avenue Metro Special Assessment Authoriza-

tion Emergency Act of 2001 (D.C. Act 14-64, June 6, 2001, 48 DCR 5714).

For temporary (90 day) addition of section, see § 2 of New York Avenue Metro Special Assessment Authorization Legislative Review Emergency Act of 2001 (D.C. Act 14-115, August 3, 2001, 48 DCR 7652).

**Legislative history of Law 14-44.** — For Law 14-44, see notes following § 47-881.

## § 47-885. Regulations.

The CFO may promulgate regulations to carry out the purpose of this subchapter.

(Oct. 26, 2001, D.C. Law 14-44, § 2, 48 DCR 7665.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 2(b) of New York Avenue Metro Special Assessment Authorization Temporary Act of 2001 (D.C. Law 14-25, October 2, 2001, law notification 48 DCR 9564).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 2 of New York Avenue Metro Special Assessment Authorization Emergency Act of 2001 (D.C. Act 14-64, June 6, 2001, 48 DCR 5714).

For temporary (90 day) addition of section, see § 2 of New York Avenue Metro Special Assessment Authorization Legislative Review

Emergency Act of 2001 (D.C. Act 14-115, August 3, 2001, 48 DCR 7652).

**Legislative history of Law 14-44.** — For Law 14-44, see notes following § 47-881.

*Subchapter VI. Southeast Water and Sewer Improvement Benefit District.*

**§ 47-891. Definitions.**

For the purposes of this subchapter, the term:

(1) “Chief Financial Officer” means the Chief Financial Officer of the District of Columbia established by § 1-204.24a.

(2) “Gross building area” means, with respect to a real property, the product of the land area of the real property multiplied by the maximum floor area ratio allowable under its zoning category as of January 1, 2007 without including transfer development rights or bonus development rights; provided, that in the case of real property formerly owned by the United States of America after January 1, 2007, the term “gross building area” shall mean the foregoing as of the date the real property was first legally zoned under District law.

(3) “Land area” means, with respect to a real property, the ground square footage of the real property.

(4) “Southeast Water and Sewer Improvement Benefit District” means the special assessment district established by § 47-892.

(5)(A) “Southeast Water and Sewer Improvement Project” means the improvements and upgrades to the storm drainage and water and sewer systems scheduled to be performed starting on or about May 1, 2007, and scheduled to be completed on or about February 15, 2008, on the following streets: Potomac Avenue, S.E., from South Capitol Street to First Street, S.E.; First Street, S.E., from Potomac Avenue, S.E., to I Street, S.E.; N Street, S.E., from South Capitol Street to First Street, S.E.; I Street, S.E., from South Capitol Street to First Street, S.E.; and South Capitol Street from N Street to O Street, S.E.

(B) The scheduled starting and completion dates set forth in subparagraph (A) of this paragraph are set forth for descriptive purposes only and shall not limit the costs that may be included in the special assessment total collection amount determined under § 47-893(c) based solely on the fact that the costs were incurred before the scheduled starting date or after the scheduled completion date.

(Jan. 29, 2007, D.C. Law 17-89, § 2(b), 54 DCR 11919.)

**Legislative history of Law 17-89.** — Law 17-89, the “Southeast Water and Sewer Improvement Special Assessment Authorization Act of 2007”, was introduced in Council and assigned Bill No. 17-159 which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on October 2, 2007, and November 6, 2007,

respectively. Signed by the Mayor on November 27, 2007, it was assigned Act No. 17-207 and transmitted to both Houses of Congress for its review. D.C. Law 17-89 became effective on January 29, 2008.

**Editor’s notes.** — Section 3 of D.C. Law 17-89 provided that Section 2 shall apply as of October 1, 2007.



**§ 47-892. Establishment of special assessment district.**

There is established as a special assessment district the Southeast Water and Sewer Improvement Benefit District, which shall be comprised of those real properties served by or otherwise specially benefitting from the Southeast Water and Sewer Improvement Project, more particularly described as all real properties included in the following squares or portions of squares: 0695, 0695W, 0695NW, 0696, 0697N, 0699, 0699N, 0700, 0701, 0707, the portions of 0708 and 0708E east of South Capitol Street (as South Capitol Street existed on June 1, 2007), 0738, 0740, 0743N, 0744S, and 0744SS, and any future subdivisions of these squares and lots.

(Jan. 29, 2007, D.C. Law 17-89, § 2(b), 54 DCR 11919.)

**Legislative history of Law 17-89.** — For Law 17-89, see notes following § 47-891.

**§ 47-893. Levy of special assessment; protest; termination of levy.**

(a) Beginning in tax year 2008, there is levied a special assessment upon each real property located within the Southeast Water and Sewer Improvement Benefit District, except the following:

(1) Real properties owned by the District of Columbia, except an independent instrumentality or authority of the District of Columbia, the United States, or the Washington Metropolitan Area Transit Authority; provided, that if an interest in or use of the land of such real property is subject to taxation under § 47-1005.01 because of a ground lease and the improvement is privately owned, the interest in or use of the land and the improvement shall be subject to the special assessment imposed by this subchapter based on the land area of the interest and the actual gross building area of the improvement (if not subject to District zoning) or the gross building area of the improvement (if subject to District zoning); provided further, that if the real property becomes owned by an entity other than the District of Columbia, the United States, or the Washington Metropolitan Area Transit Authority, the provisions of this paragraph shall not exempt the real property from the special assessment imposed by this subchapter;

(2) Real properties on which, on June 1, 2007, occupied residential were located; provided, that after June 1, 2007, if the real property is redeveloped for nonresidential uses, or if the real property becomes part of a development project that may include a condominium regime, that consists of 5 or more dwelling units, the provisions of this paragraph shall not exempt the real property or subdivisions thereof from the special assessment imposed by this subchapter;

(3) Real properties on which, on June 1, 2007, an active house of worship with a tax-exempt status was located; provided, that after June 1, 2007, if the real property is later used for a purpose other than as a house of worship, the provisions of this paragraph shall not exempt the real property from the special assessment imposed by this subchapter; or

(4) Real properties that received a certificate of occupancy for a building of over 10,000 square feet between January 1, 2003, and June 1, 2007, or which had a utility plan related to a building permit approved by the District of Columbia Water and Sewer Authority between January 1, 2006, and October 31, 2006.

(b) The special assessment applicable to a real property shall be equal to the sum of:

(1) The storm drainage assessment factor of 0.118 multiplied by the land area of the real property or interest therein; and

(2) The water and sewer assessment factor of 0.0346 multiplied by the gross building area of the real property.

(c)(1) Within 180 days after the effective date of this subchapter, for tax year 2008, the Chief Financial Officer shall determine each real property that is subject to the special assessment under this subchapter and give notice of the special assessment to the owner, as shown on the real property tax records of the District. The notice shall state the amount of the proposed special assessment and the procedure for appeal set forth in subsection (e) of this section. The Chief Financial Officer shall not recalculate either factor because an additional real property has become subject to the special assessment after the first determination under this paragraph. No further notice shall be required for future tax years.

(2) If a real property becomes subject to the special assessment imposed by this subchapter after [January 29, 2008], the Chief Financial Officer shall give notice of the special assessment to the owner, as shown on the real property tax records of the District, of such real property within 90 days after the Chief Financial Officer determines the real property has become subject to the special assessment. The notice shall state the amount of the proposed special assessment and the procedure for appeal set forth in subsection (e) of this section. The real property shall become liable for the special assessment as of the beginning of the next succeeding tax year from the date on which such real property became subject to the special assessment. No further notice shall be required for future tax years.

(3) The owner of a real property may elect at least once annually and upon the sale of a real property, under procedures established by the Chief Financial Officer, to pay in a lump sum payment equal to the present value, calculated as of the next succeeding June 30th at an annual discount rate of 4.5%, of the total amount of all future annual special assessments to which the Chief Financial Officer determines the real property is subject under this subchapter. If the owner makes such a lump sum payment within 30 days from the date of the special assessment bill from the Chief Financial Officer, the real property shall not be subject to future annual special assessments under this subchapter.

(d) If the Chief Financial Officer learns that a real property subject to the special assessment has been omitted from the special assessment for any previous tax year, the Chief Financial Officer shall provide notice under subsection (e) of this section to the owner for the succeeding, current, and prior tax years, and shall collect the special assessment amount in arrears, includ-



ing penalty and interest from the date the special assessment should have been paid; provided, that no real property that has escaped the special assessment shall be liable under this section for a period of more than 3 prior tax years. No further notice shall be required for future tax years.

(e) The owner of a real property subject to special assessment under this subchapter, when first provided notice of a special assessment under this subchapter, may petition for administrative review, and appeal from a final determination made upon administrative review, of the amount of a special assessment, or the imposition of the special assessment, on the real property or interest therein in the same manner and to the same extent as set forth in § 47-825.01(f-1) as if the owner were a new property owner; provided, that for purposes of the new owner appeal, the date of transfer shall be deemed to be the date of the notice and the tax year shall be deemed to be the last tax year included in the notice; provided further, that notwithstanding the foregoing, the notice under subsection (c)(1) of this section shall be mailed on or before March 1, 2008 and the owner may petition for an administrative review on or before April 1, 2008 and appeal therefrom to the same extent and under the same conditions as a real property owner may appeal his tax year 2009 real property tax assessment.

(f) Beginning in tax year 2008, special assessments under this subchapter shall be levied annually and shall be due on June 30 of the tax year. The owner shall have 30 days to pay the special assessment bill before the bill is due.

(g)(1) Except as provided in paragraph (2) of this subsection, an unpaid special assessment shall be subject to the same penalty and interest provisions as a delinquent real property tax under this chapter. A lien for an unpaid special assessment, including penalty and interest, shall attach to the real property in the same manner as, and with a priority immediately junior to, a lien for delinquent real property tax under Chapter 13A [of this title]. The unpaid special assessment shall be collected in the same manner and under the same conditions and subject to the same penalty as for unpaid real property taxes.

(2) If an interest in, or use of the land of, a real property is subject to the special assessment because it is subject to taxation under § 47-1005.01, an unpaid special assessment on such interest or use shall be subject to the same penalty and interest provisions as a delinquent tax imposed under § 47-1005.01, and the unpaid special assessment shall be collected in the same manner and under the same conditions and subject to the same penalty as for an unpaid tax imposed under § 47-1005.01.

(h) The levy of special assessments under this subchapter shall terminate on the date on which the special assessment total collection amount has been received by the District, as certified by the Chief Financial Officer.

(i) A special assessment imposed under this subchapter shall not be required to be certified for the purposes of Chapter 13A of this title.

(j) Each special assessment shall be made part of the public record.

(k) The total collection amount from the Southeast Water and Sewer Improvement Benefit District shall not exceed the amount required to pay the debt service on a total amount of \$12.45 million of borrowing authority, which

shall represent the special assessment total collection amount of the properties subject to the assessment under this subchapter.

(Jan. 29, 2007, D.C. Law 17-89, § 2(b), 54 DCR 11919; July 13, 2012, D.C. Law 19-155, § 2(e), 59 DCR 5590.)

**Effect of amendments.** — D.C. Law 19-155 rewrote subsec. (e), which formerly read:

“(e) The owner of a real property subject to special assessment under this subchapter, when first provided notice of a special assessment under this subchapter, may petition for administrative review, and appeal from a final determination made upon administrative review, of the amount of a special assessment, or the imposition of the special assessment, on the real property or interest therein in the same manner and to the same extent as set forth in § 47-825.01(f-1) as if the owner were a new property owner; provided, that for purposes of the new owner appeal, the date of transfer shall be deemed to be the date of the notice and the

tax year shall be deemed to be the last tax year included in the notice; provided further, that notwithstanding the foregoing, the notice under subsection (c)(1) of this section shall be mailed on or before March 1, 2008 and the owner may petition for an administrative review on or before April 1, 2008 and appeal therefrom to the same extent and under the same conditions as a real property owner may appeal his tax year 2009 real property tax assessment.”

**Legislative history of Law 17-89.** — For Law 17-89, see notes following § 47-891.

**Legislative history of Law 19-155.** — For history of Law 19-155, see notes under § 47-825.01a.

## § 47-894. Application of assessment.

The Chief Financial Officer shall establish the Southeast Water and Sewer Improvement Benefit District Account within the General Fund of the District of Columbia for the deposit and application of special assessment revenues collected under this subchapter. Subject to lien priority, funds in the Southeast Water and Sewer Improvement Benefit District Account shall be used to pay the principal of, interest on, or other repayment amounts related to the general obligation bonds, notes, other obligations, expenditures, or outlays used to finance or pay for the Southwest Water and Sewer Improvement Project or any other then outstanding District of Columbia general obligation bonds, notes, or other obligations. After the termination of the special assessment under § 47-893(h), any unexpended funds in the Southeast Water and Sewer Improvement Benefit District Account shall be transferred to the Economic Development Special Account or its successor or, if the Economic Development Special Account or a successor to the Economic Development Special Account no longer exists, to the General Fund of the District of Columbia.

(Jan. 29, 2007, D.C. Law 17-89, § 2(b), 54 DCR 11919.)

**Legislative history of Law 17-89.** — For Law 17-89, see notes following § 47-891.

### *Subchapter VII. Southwest Waterfront Special Assessment District.*

## § 47-895.01. Definitions.

For the purposes of this subchapter, the term:



(1) “Adjusted Maximum Special Assessment” means the Special Assessment determined in accordance with § 47-895.03.

(2) “Administrator” means the designee of the Chief Financial Officer for purposes of estimating the annual Special Assessment Requirement and the Special Assessment to be levied each fiscal year and for providing other services as required with respect to the administration of the Special Assessment.

(3) “Bonds” means the bonds, notes, or other obligations issued by the District pursuant to [D.C. Law 17-252, codified as § 2-1217.131 et seq., this subchapter, and § 47-4616].

(4) “Chief Financial Officer” means the Chief Financial Officer of the District of Columbia established by § 1-204.24a(a).

(5) “Debt Service” means the principal, interest and premium, if any, on the bonds.

(6) “Equivalent Unit” means the product resulting from the equivalent unit factor for each type of property and its application method to be used by the Chief Financial Officer in calculating the Maximum Special Assessment for each lot as follows:

Property Type	Equivalent Unit Factor	Application Method
Commercial Retail	1.00	Per 1,000 sq. ft.
Commercial Restaurants	1.00	Per 1,000 sq. ft.
Hotel	0.29	Per room
Commercial Office	0.25	Per 1,000 sq. ft.
Rental Apartments	0.06	Per 1,000 sq. ft.
For sale condos (Market rate designation)	0.09	Per unit
For sale condos (Affordable designation)	0.02	Per unit

(7) “Gross building area” or “GBA” means, with respect to a lot, the product of the land area of the lot multiplied by the maximum floor area ratio (“FAR”) allowable under its zoning category, including additional FAR allowable as a matter of right if the additional FAR is dedicated to a particular use, such as an additional residential floor, as of the date of the 1st issuance of bonds, without including transfer development rights or bonus development rights.

(8) “Indenture of Trust” means the indenture relating to the bonds, as modified, amended, or supplemented from time to time.

(9) “Land area” means, with respect to a lot, the ground square footage of the lot.

(10) “Lot” means a tax lot, record lot, or other division of real property designated for assessment and taxation purposes in the Southwest Waterfront Improvement Benefit District. The term “lot” shall include a possessory interest as described in § 47-1005.01.

(11) “Master Developer” means the development entity to which the District transfers the leasehold interest in the Southwest Waterfront Improvement Benefit District and which is responsible for the planned development of the entire Southwest Waterfront Improvement Benefit District, including the project.

(12) “Maximum Special Assessment” means the maximum special assessment determined in accordance with § 47-895.03.

(13) “Owner” shall have the same meaning as provided in § 47-802(5) and shall include the holder of a possessory interest as described in § 47-1005.01.

(14) “PILOT Revenues” means the amount of the Southwest Waterfront PILOT Increment, as defined in [§ 2-1217.131(22)], paid or to be paid into the Southwest Waterfront Fund each fiscal year.

(15) “Project” means the publicly owned infrastructure located within the Southwest Waterfront PILOT/TIF Area, including streets, parking facilities, sidewalks, walkways, streetscapes, parks, bulkheads, piers, curbs, gutters, and gas, electric, and water utility lines, and the acquisition, equipping, relocation, construction, and redevelopment of certain public facilities, including parks.

(16) “Proportionately” means that the ratio of the Special Assessment to be collected as a percentage of the Adjusted Maximum Special Assessment is equal for each lot (excluding those lots for which the Adjusted Maximum Special Assessment is zero).

(17) “Special Assessment” means the Special Assessment levied by the District each fiscal year to fund the Special Assessment Requirement.

(18) “Special Assessment Credit” shall be the amount provided in § 47-895.03; provided, that the term “Special Assessment Credit” means, with respect to a lot, the TIF Revenues and the PILOT Revenues related to the lot and included in calculating the Special Assessment Requirement.

(19) “Special Assessment Requirement” shall have the same meaning as provided in § 47-895.03.

(20) “Southwest Waterfront Improvement Benefit District” means the special assessment district established by § 47-895.02.

(21) “Southwest Waterfront Fund” means the fund established by [§ 2-1217.133].

(22) “SWW Development” means an area of 50,400 square feet located on a portion of Lots 839, 831, and 84 in Square 473, and such other area of land that is contiguous to Lots 839, 831, and 84, Square 473, and within the boundaries of the Southwest Waterfront Improvement Benefit District, which shall be designated as the SWW Development in an instrument from the District conveying a ground lease of, or other possessory interest in, such area to the Master Developer or to the assignee or transferee of the Master Developer with the consent of the District.

(23) “TIF Revenues” means the amount of the Available Sales Tax Revenues, as defined in [§ 2-1217.131(3)], paid or to be paid into the Southwest Waterfront Fund each fiscal year by the District pursuant to the requirements of the Southwest Waterfront Bond Financing Act of 2008 Bill [D.C. Law 17-252, codified as § 2-1217.131 et seq., this subchapter, and § 47-4616].



(Oct. 22, 2008, D.C. Law 17-252, § 301(b), 55 DCR 9251.)

**Legislative history of Law 17-252.** — Law 17-252, the “Southwest Waterfront Bond Financing Act of 2008”, was introduced in Council and assigned Bill No. 17-591 which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second

readings on July 1, 2008, and July 15, 2008, respectively. Signed by the Mayor on August 4, 2008, it was assigned Act No. 17-499 and transmitted to both Houses of Congress for its review. D.C. Law 17-252 became effective on October 22, 2008.

## § 47-895.02. Establishment of special assessment district.

(a) There is established as a special assessment district the Southwest Waterfront Improvement Benefit District, which shall be comprised of the following geographic area:

(1) Approximately 23 acres of land area between the southern curb line of Maine Avenue, S.W., and the bulkhead paralleling the Washington Channel from the western edge of the Fish Market to the western curb of 6th Street, S.W., to the eastern edge of Lot 843, Square 473, the eastern edge of Lots 883, 884, and 885, Square 503, to the eastern edge of parcel 25<sup>5</sup>/<sub>15</sub>, to the western edge of the P Street, S.W., right-of-way; and

(2) The riparian area and piers associated with the land described in paragraph (1) of this subsection, which includes:

- (A) The Fish Market;
- (B) The Capital Yacht Club;
- (C) The Gangplank Marina; and

(D) Piers 4 and 5; provided, that the Southwest Waterfront Improvement Benefit District shall not include the SWW Development; provided further, that Lots 820, 842, and 844, Square 473 shall not be included in the Southwest Waterfront Improvement Benefit District unless the Master Developer acquires the ground lessee’s interest in those lots.

(b) The owners of lots within the Southwest Waterfront Improvement Benefit District shall derive a special benefit from the improvements financed by the bonds and the amount of this benefit is equal to or greater than the Maximum Special Assessment levied on the lots subject to the Special Assessment.

(c) Beginning with the 1st year Special Assessments, Special Assessments on all lots on which Special Assessments have been levied shall be collected pursuant to § 47-895.02 or may be collected only from the lots within a specific phase of the project to be improved or that has been improved, as determined by the Chief Financial Officer at the time of the issuance of any bonds.

(Oct. 22, 2008, D.C. Law 17-252, § 301(b), 55 DCR 9251.)

**Legislative history of Law 17-252.** — For Law 17-252, see notes following § 47-895.01.

## § 47-895.03. Levy of special assessment.

(a) The Special Assessment levied under this section shall be collected in the Southwest Waterfront Improvement Benefit District each fiscal year beginning with the 1st fiscal year after the issuance of the bonds and continuing until the

year specified in § 47-895.06 in an amount determined as provided for in this section. A memorandum of the Special Assessment shall be recorded in the land records of the District.

(b) There is levied for each fiscal year a Special Assessment upon all real property in the Southwest Waterfront Improvement Benefit District in an amount equal to the Maximum Special Assessment. The Special Assessment shall be an amount equal to the Special Assessment Requirement. The Special Assessment Requirement for any fiscal year shall be estimated by the administrator and determined by the Chief Financial Officer and shall be an amount equal to:

(1) The amount required in such fiscal year to pay:

(A) Debt Service and other periodic costs, including deposits to sinking funds, on the bonds;

(B) Any amount required to replenish any reserve fund established in association with the bonds;

(C) Any amount equal to the estimated delinquencies expected in payment of the Special Assessment not otherwise taken into account; and

(D) The costs of remarketing, credit enhancement, bond insurance, and liquidity facility fees, including fees for instruments that serve as the basis of a reserve fund related to any indebtedness in lieu of cash; less

(2) The Special Assessment Credit equal to the sum of:

(A) TIF Revenues and PILOT Revenues available to apply to the Special Assessment Requirement for that fiscal year;

(B) Any credits available pursuant to the Indenture of Trust, such as capitalized interest, reserves, and investment earnings on any account balances; and

(C) Any other revenues available to apply to the Special Assessment Requirement.

(c) Commencing with the fiscal year in which bonds are first issued and for each following fiscal year, the District shall determine the Special Assessment Requirement, if any, as provided in subsection (b) of this section for the fiscal year and shall collect the Special Assessment proportionately from each lot in arrears in an amount up to the Adjusted Maximum Special Assessment from each lot such that the total of the Special Assessment to be collected shall equal the Special Assessment Requirement. The administrator shall provide an estimate to the Chief Financial Officer each fiscal year of the Special Assessment to be collected from each lot in conformance with the provisions of this section.

(d) The Maximum Special Assessment shall be established by the Chief Financial Officer at the time the bonds are issued to reflect the rate of interest on the bonds, and the amount of the bonds issued, in an amount that provides for adequate Special Assessment revenue to pay Debt Service and any other expected amounts of the Special Assessment Requirement as provided in the Indenture of Trust. The Maximum Special Assessment for each lot shall be the Maximum Special Assessment divided by the Equivalent Units of all lots subject to Special Assessment multiplied by the Equivalent Unit of each lot, which may be calculated separately for each phase and the bonds issued with



respect to each phase. The Adjusted Maximum Special Assessment for the lot shall be equal to the Maximum Special Assessment for the lot less the Special Assessment Credit for the lot. The Special Assessment Credit applied to all lots shall not exceed the TIF Revenues and the PILOT Revenues taken into account in determining the Special Assessment Requirement.

(e) The Special Assessment to be collected from any lot may be increased as a result of a default in the payment of the Special Assessment levied on any other lot only in accordance with the provisions of this section. The Special Assessment to be collected from any lot shall not be increased above the Adjusted Maximum Special Assessment as a result of a default in the payment of the Special Assessment levied on any other lot. If the Special Assessment to be collected from any lot is less than the Adjusted Maximum Special Assessment for such lot, the Special Assessment may be increased up to the Adjusted Maximum Special Assessment as a result of the default in the payment of the Special Assessment levied on any other lot.

(f) The Special Assessment shall be an assessment for purposes of §§ 47-832 through 47-835 relating to subdivision of lots, parcels, or tracts.

(Oct. 22, 2008, D.C. Law 17-252, § 301(b), 55 DCR 9251.)

**Legislative history of Law 17-252.** — For Law 17-252, see notes following § 47-895.01.

## § 47-895.04. Notices and protests.

(a) The Master Developer shall consent to the levy of the Special Assessment on the lots, following which consent all actions by any owner of a lot to challenge the levy of the Special Assessment, except as provided in subsection (b) of this section, shall be forever barred. The Master Developer and any subsequent owner of a lot shall provide notice to the buyer of the lot of the levy of the Special Assessment and any contract for the sale of the lot may be voided without penalty by the buyer prior to purchase of the lot if the buyer does not receive notice of the Special Assessment from the Master Developer or the subsequent owner.

(b) The owner of a lot subject to Special Assessment under this subchapter may contest the amount of the Special Assessment, but not the authority to levy the Special Assessment, by filing a written notice of appeal of the amount with the Chief Financial Officer not later than 180 days after the due date of the payment of the Special Assessment. The Chief Financial Officer, or the administrator if designated by the Chief Financial Officer to hear the appeal, shall promptly review the appeal and, if necessary, meet with the owner of the lot, consider written and oral evidence regarding the amount of the Special Assessment, and decide the appeal. If the result of the appeal requires the Special Assessment to be modified or changed in favor of the owner of the lot, a cash refund shall not be made (except in the last year of the levy), but an adjustment shall be made to the next Special Assessment to be collected from that lot. No interest on the adjustment shall be due to the owner of the lot. A decision of the administrator may be appealed to the Chief Financial Officer.

This procedure shall be exclusive and its exhaustion by any owner of a lot shall be a condition precedent to any other appeal or legal action by the owner.

(c) If the Chief Financial Officer learns that a lot subject to the Special Assessment has been omitted from the Special Assessment for any previous tax year or tax years, the Chief Financial Officer shall provide notice to the owner and shall collect the Special Assessment amount in arrears, including penalty and interest, from the date the Special Assessment should have been paid; provided, that no lot that has not been billed for the Special Assessment shall be liable under this section for a period of more than 3 prior tax years.

(d) Special Assessments shall be collected each year for the preceding fiscal year in the same manner and at the same time as real property taxes are collected.

(e)(1) Except as provided in paragraph (2) of this subsection, an unpaid Special Assessment shall be subject to the same penalty and interest provisions as a delinquent real property tax under Chapter 8 of this title. A lien for an unpaid Special Assessment, including penalty and interest, shall attach to the real property in the same manner as, and with a priority immediately junior to, a lien for delinquent real property tax under Chapter 13A of this title and senior to all other liens. Property sold at a tax sale for the failure to pay real property taxes shall remain subject to the obligation to pay Special Assessments in subsequent years as provided in this subchapter. The unpaid Special Assessment shall be collected in the same manner and under the same conditions and subject to the same penalty as for unpaid real property taxes. A Special Assessment shall not be required to be certified for the purposes of Chapter 13A of this title.

(2) If an interest or use on a lot is subject to the Special Assessment because it would be subject to taxation under § 47-1005.01 but for the exemption provided by § 47-4615(b) [§ 47-4616], an unpaid Special Assessment on such an interest or use shall be subject to the same penalty and interest provisions as a delinquent possessory interest tax imposed under § 47-1005.01, and the unpaid Special Assessment shall be collected in the same manner and under the same conditions and subject to the same penalty as for an unpaid tax imposed under § 47-1005.01.

(3) The Special Assessment shall be deemed a tax within the meaning of 11 U.S.C. §§ 502(b), 505, and 507(a)(8)(B).

(Oct. 22, 2008, D.C. Law 17-252, § 301(b), 55 DCR 9251.)

**Legislative history of Law 17-252.** — For Law 17-252, see notes following § 47-895.01.

## § 47-895.05. Termination of Special Assessment.

The Special Assessment shall terminate on the earlier of:

- (1) September 30, 2044; or
- (2) At the end of the fiscal year when all the bonds are paid for and are no longer outstanding pursuant to their terms; provided, that any delinquent Special Assessments and related penalties and interest shall remain due until fully paid.



(Oct. 22, 2008, D.C. Law 17-252, § 301(b), 55 DCR 9251.)

**Legislative history of Law 17-252.** — For Law 17-252, see notes following § 47-895.01.

## § 47-895.06. Application of Special Assessment.

The Chief Financial Officer shall deposit the special assessment revenues collected under this subchapter in the Southwest Waterfront Fund.

(Oct. 22, 2008, D.C. Law 17-252, § 301(b), 55 DCR 9251.)

**Temporary Addition of Section.** — Section 301(b) of D.C. Law 18-156 added sections to read as follows:

“Subchapter IX. Special Energy Assessment.  
“§ 47-895.31. Definitions.

“For the purposes of this subchapter, the term:

“(1) ‘Bonds’ means the bonds, notes, or other obligations issued by the District pursuant to the Energy Efficiency Financing Act.

“(2) ‘Chief Financial Officer’ means the Chief Financial Officer of the District of Columbia.

“(3) ‘Debt Service’ means the principal and interest on the energy efficiency loan.

“(4) ‘Energy Efficiency Financing Act’ means the Energy Efficiency Financing Temporary Act of 2010, passed on 2nd reading on March 2, 2010 (Enrolled version of Bill 18-666).

“(5) ‘Energy efficiency loan’ means an energy efficiency loan to a property owner under the Energy Efficiency Financing Act.

“(6) ‘Indenture of Trust’ means the indenture relating to the bonds, as modified, amended, or supplemented from time to time.

“(7) ‘Lot’ means real property as defined in § 47-802(1).

“(8) ‘Tax year’ has the same meaning as provided in § 47-802(7).

“(9) ‘Special Assessment’ means the special assessment levied by the District each fiscal year to fund the amount necessary to pay the Debt Service on the energy efficiency loan.

“(10) ‘Special Energy Assessment Fund’ means the nonlapsing fund created by section 102 of the Energy Efficiency Financing Act.

“§ 47-895.32. Establishment of special assessment district.

“(a) There is established within the District a special assessment district to consist of those lots the property owners of which have entered into a voluntary agreement to pay the Special Assessment. A property owner shall not be obligated to pay the Special Assessment unless the property owner has consented to the Special Assessment by entering into an energy efficiency loan, or other, agreement with the District.

“(b) The property owners of lots will derive a special benefit from the savings produced by

the energy efficiency improvements financed by the energy efficiency loans and the amount of this benefit is equal to or greater than the Special Assessment levied on the lots. This benefit shall include any acknowledged value set forth in the energy efficiency loan, or other, agreement.

“§ 47-395.33. Levy of Special Assessment.

“(a) A Special Assessment is levied and shall be collected with respect to each lot owned by a property owner who has entered into an energy efficiency loan, or other, agreement with the District pursuant to which the District has made an energy efficiency loan to the property owner. The Special Assessment shall begin at the commencement of the half tax year immediately following the date on which the energy efficiency loan, or other, agreement is entered into and continuing until the end of the half tax year in which the energy efficiency loan is fully repaid pursuant to the energy efficiency loan, or other, agreement. At the time the energy efficiency loan, or other, agreement is executed, a memorandum of the Special Assessment shall be recorded in the land records of the District. The memoranda of the Special Assessment shall be exempt from the recordation tax levied pursuant to § 42-1103 and the transfer tax levied pursuant to § 47-903.

“(b) The annual amount of the Special Assessment on each lot shall be an amount equal to the annual principal, interest, and administrative costs on the energy efficiency loan applicable to that lot as described in section 202 of the Energy Efficiency Financing Act. The Special Assessment to be collected from any lot shall not be increased as a result of a default in the payment of the Special Assessment levied on any other lot.

“(c) If a property owner agrees to a Special Assessment to reduce energy costs and increases rents to tenants in that property to pay the costs of the Special Assessment, the property owner shall pass through the energy savings to the tenants so charged.

“§ 47-394.34. Notices; collection; penalties.

“(a) The energy efficiency loan, or other, agreement shall require the property owner to consent to the levy of the Special Assessment on

the lot, following which consent, all actions by any owner of the lot to challenge the levy of the Special Assessment shall be forever barred. The property owner who enters into an energy efficiency loan, or other, agreement and each subsequent owner of the lot shall provide notice to the buyer of the lot of the levy of the Special Assessment and any contract for the sale of any such lot may be voided without penalty by the buyer prior to purchase of the lot if the buyer does not receive notice of the Special Assessment from the seller of the lot; provided, that the notice shall not apply to lots sold under Chapter 13A.

“(b) Special Assessments shall be collected in the same manner and at the same time as real property taxes are collected; provided, that the Special Assessments may be collected at a different time and in a different manner as determined by the Chief Financial Officer.

“(c)(1) Except as provided in paragraph (2) of this subsection, an unpaid Special Assessment shall be subject to the same penalty and interest provisions as a delinquent real property tax under this chapter. A lien for an unpaid Special Assessment, including penalty and interest, shall attach to the real property in the same manner as, and with a priority immediately junior to, a lien for delinquent real property tax under Chapter 13A and senior to all other liens. Real property sold at a tax sale for the failure to pay real property taxes shall remain subject to the obligation to pay Special Assessments in subsequent years as provided in this subchapter. The unpaid Special Assessment shall be collected in the same manner and under the same conditions and subject to the same penalties as for unpaid real property taxes.

“(2) If an interest in or use of a lot is subject to the Special Assessment because it is subject to taxation under § 47-1005.01, an unpaid Spe-

cial Assessment on such an interest or use shall be subject to the same penalty and interest provisions as a delinquent tax imposed under § 47-1005.01, and the unpaid Special Assessment shall be collected in the same manner and under the same conditions and subject to the same penalty as for an unpaid tax imposed under § 47-1005.01.

“§ 47-395.35. Termination of Special Assessment.

“(a) The levy of Special Assessments under this subchapter shall terminate on the day after all the bonds secured by that Special Assessment and issued pursuant to the authority granted in Title I of the Energy Efficiency Financing Act are paid for and are no longer outstanding pursuant to their terms. Notwithstanding the preceding sentence any delinquent Special Assessments and related penalties and interest shall remain due as provided herein until fully paid.

“(b) If a property owner elects to pay in full, prior to maturity, all principal and outstanding interest on the energy efficiency loan, or other agreement, the repayment amount shall be deposited into the applicable Special Energy Assessment Bond Debt Service Account of the Special Energy Assessment Fund.

“§ 47-395.36. Application of assessment.

“The Chief Financial Officer shall deposit the Special Assessment revenues collected under this subchapter in the Special Energy Assessment Fund.”

Section 402(b) of D.C. Law 18-156 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 301(b) of Energy Efficiency Emergency Act of 2009 (D.C. Act 18-324, March 1, 2010, 57 DCR 1851).

**Legislative history of Law 17-252.** — For Law 17-252, see notes following § 47-895.01.

## *Subchapter VIII. Waterfront Park Special Assessment District.*

### § 47-895.21. Definitions.

For the purposes of this subchapter, the term:

(1) “Certificate of occupancy” means:

(A) A permanent certificate of occupancy; or

(B) A temporary certificate of occupancy which allows for the full operation of the intended residential or hotel purposes of the building for which the certificate of occupancy is issued.

(2) “Contribution period” means the period commencing on July 1, 2012, and ending on June 30, 2017.

(3) “Hotel” means a building which consists primarily of hotel rooms and related facilities and amenities.

(4)(A) “Income-producing property” means a building or portions of a



building or other improvement that is open for business and is operated as a store, shop, restaurant, office space, or rental apartment.

(B) The term “income-producing property” shall not include:

(i) Common areas or public space, including building lobbies and plazas, in or appurtenant to a building or improvement which contains a use set forth in subparagraph (A) of this paragraph;

(ii) A residential condominium;

(iii) Cultural improvements or facilities; or

(iv) A hotel.

(5) “Owner” means an owner of real property or a lessee or user of real property subject to taxation under § 47-1005.01.

(6) “Project Developer” means Forest City SEFC, LLC, a District of Columbia limited liability company, its successors, or assigns.

(7) “Required occupancy” means at least 60% occupancy, calculated on a gross square foot basis.

(8) “Residential condominium” means a for-sale residential condominium; provided, that the term “residential condominium” shall not include any common or public space in or appurtenant to the for-sale residential condominium project of which the residential condominium is a part.

(9) “Substantial completion” means, with respect to a residential condominium, that:

(A) The inspecting architect for the residential condominium has certified in writing to the owner of, or lender for, the residential condominium that the residential condominium is substantially complete except for punch list items; and

(B) The Department of Consumer and Regulatory Affairs (or a successor agency) has issued a certificate of occupancy for the residential condominium.

(10) “Waterfront Park Benefit District” means the special assessment district established by § 47-895.22.

(Mar. 3, 2010, D.C. Law 18-105, § 7(b), 57 DCR 11.)

**Legislative history of Law 18-105.** — Law 18-105, the “Waterfront Park at the Yards Act of 2009”, was introduced in Council and assigned Bill No. 18-299, which was referred to the Committee on Finance and Revenue. The bill was adopted on first and second readings on

November 3, 2009, and December 1, 2009, respectively. Signed by the Mayor on December 18, 2009, it was assigned Act No. 18-243 and transmitted to both Houses of Congress for its review. D.C. Law 18-105 became effective on March 3, 2010.

## § 47-895.22. Establishment of special assessment district.

(a) There is established as a special assessment district the Waterfront Park Benefit District, which shall be comprised of the geographic area bounded by Isaac Hull Avenue, S.E., on the east, 1st Street, S.E., on the west, M Street, S.E., on the north, and the Anacostia River on the south, excluding the following:

(1) The DOT PILOT Area, as such area is defined in section 2(7) of the Southeast Federal Center Payment in Lieu of Taxes Revision Emergency

Approval Resolution of 2007, effective July 10, 2007 (Res. 17-302; 54 DCR 7639).

(2) The pumping station of the District of Columbia Water and Sewer Authority that is located east of 1st Street, S.E., at the eastern terminus of N Place, S.E.;

(3) The real property on which the building west of Isaac Hull Avenue, S.E., and south of Tingey Street, S.E., that is under the control and jurisdiction of the Department of the Navy is located; and

(4) The Waterfront Park.

(b) The Council finds that owners of lots within the Waterfront Park Benefit District will derive a special benefit from the operation of the Waterfront Park.

(Mar. 3, 2010, D.C. Law 18-105, § 7(b), 57 DCR 11.)

**Legislative history of Law 18-105.** — For Law 18-105, see notes following § 47-895.21.

### **§ 47-895.23. Levy of special assessment; protest; termination of levy.**

(a) There is levied during the contribution period a special assessment on each owner of real property in the Waterfront Park Benefit District in an annual amount equal to \$.125 per gross square foot of:

(1) Each income-producing property in the Waterfront Park Benefit District that has achieved required occupancy;

(2) Each residential condominium in the Waterfront Park Benefit District that has achieved substantial completion; and

(3) Each hotel in the Waterfront Park Benefit District that has received a certificate of occupancy.

(b) If an income-producing property has not reached required occupancy on or before the 1st day of the contribution period, the amount of the special assessment imposed on that income-producing property for the contribution period shall be prorated on a daily basis, so that the special assessment shall be paid only for the portion of the contribution period which elapses after the income-producing property initially reached required occupancy.

(c) If a residential condominium has not reached substantial completion on or before the 1st day of the contribution period, the amount of the special assessment imposed on the residential condominium shall be prorated on a daily basis, so that the special assessment shall be paid only for that portion of the contribution period which elapses after the residential condominium initially reached substantial completion.

(d) If a hotel has not received its certificate of occupancy on or before the 1st day of the contribution period, the amount of the special assessment imposed on the hotel shall be prorated on a daily basis, so that the assessment shall be paid only for the portion of the contribution period which elapses after the hotel initially received its certificate of occupancy.

(e) A consent to the levy of the special assessment filed by an owner, including the Project Developer, with the Recorder of Deeds shall bar all future actions by the owner and all future owners of the real property for which the



consent was filed to challenge the levy of the special assessment, except as provided in subsection (g) of this section.

(f) The Project Developer and any subsequent owner of real property within the Waterfront Park Special Assessment shall provide notice to any buyer of real property in the Waterfront Park Benefit District of the levy of the special assessment, the filing of any consent to the levy, and the effect of the filing of the consent as described in subsection (e) of this section.

(g) The owner of real property subject to a special assessment under this subchapter may contest the amount of the special assessment (but not the authority to levy the special assessment) imposed on the real property by filing a written notice of appeal with the Chief Financial Officer not later than 60 days after the due date of the payment of the special assessment. The Chief Financial Officer shall promptly review the appeal and, if necessary, meet with the owner of the real property, consider written and oral evidence regarding the amount of the special assessment, and decide the appeal. If the result of the appeal requires the special assessment to be adjusted in favor of the owner of the real property, a cash refund shall not be made (except in the last year of the contribution period), but an adjustment shall be made to the next special assessment to be collected from that real property. No interest on the adjustment shall be due to the owner of the real property. This procedure shall be exclusive and its exhaustion by an owner shall be a condition precedent to any other appeal or legal action by the owner.

(h) If the Chief Financial Officer learns that real property subject to the special assessment has been omitted from the special assessment for any previous year of the contribution period, the Chief Financial Officer shall provide notice to the owner and shall collect the special assessment amount in arrears, including interest from the date the special assessment should have been paid; provided, that no real property that has escaped the special assessment shall be liable under this section for a period of more than 3 prior years of the contribution period.

(i) Special assessments under this subchapter shall be levied annually and shall be due on June 1. The Chief Financial Officer shall provide each owner of real property within the Waterfront Park Benefit District with an annual notice of the amount of the special assessment that is due. The owner shall have 30 days to pay the special assessment bill before the bill is due.

(j)(1) Except as provided in paragraph (2) of this subsection, an unpaid special assessment shall be subject to the same penalty and interest provisions as a delinquent real property tax under this chapter. A lien for an unpaid special assessment, including penalty and interest, shall attach to the real property in the same manner as, and with a priority immediately junior to, a lien for delinquent real property tax under Chapter 13A of this title. The unpaid special assessment shall be collected in the same manner, under the same conditions, and subject to the same penalty as unpaid real property taxes.

(2) If an interest or use on real property is subject to the special assessment because it is subject to taxation under § 47-1005.01, an unpaid special assessment on such an interest or use shall be subject to the same

penalty and interest provisions as a delinquent tax imposed under § 47-1005.01 and the unpaid special assessment shall be collected in the same manner, under the same conditions, and subject to the same penalty as an unpaid tax imposed under § 47-1005.01.

(k) A special assessment imposed under this subchapter shall not be required to be certified for the purposes of Chapter 13A of this title.

(l) Each special assessment shall be made part of the public record.

(Mar. 3, 2010, D.C. Law 18-105, § 7(b), 57 DCR 11.)

**Legislative history of Law 18-105.** — For Law 18-105, see notes following § 47-895.21.

### **§ 47-895.24. Application of assessment.**

The Chief Financial Officer shall deposit the special assessment revenues collected under this subchapter in the Waterfront Park Maintenance Fund established by § 10-1803.

(Mar. 3, 2010, D.C. Law 18-105, § 7(b), 57 DCR 11.)

**Legislative history of Law 18-105.** — For Law 18-105, see notes following § 47-895.21.

### *Subchapter IX. Special Energy Assessment.*

### **§ 47-895.31. Definitions.**

For the purposes of this subchapter, the term:

(1) “Bonds” means the bonds, notes, or other obligations issued by the District pursuant to the Energy Efficiency Financing Act.

(2) “Chief Financial Officer” means the Chief Financial Officer of the District of Columbia.

(3) “Debt Service” means the principal and interest on the Energy Efficiency Loan.

(4) “Energy Efficiency Financing Act” means the Energy Efficiency Financing Act of 2010 [Chapter 17R of Title 8].

(5) “Energy Efficiency Loan” means an energy efficiency loan to a property owner under the Energy Efficiency Financing Act [§ 8-1778.01 et seq.].

(6) “Energy Efficiency Loan Agreement” means a loan, or other agreement, entered into pursuant to [§ 8-1778.43(a)], to make the Energy Efficiency Loan.

(7) “Indenture of Trust” means the indenture relating to the bonds, as modified, amended, or supplemented from time to time.

(8) “Lot” means real property as defined in § 47-802(1).

(9) “Tax year” has the same meaning as provided in § 47-802(7).

(10) “Special Assessment” means the special assessment levied by the District each fiscal year to fund the amount necessary to pay the debt service on the Energy Efficiency Loan.



(11) “Special Energy Assessment Fund” means the nonlapsing fund established by section 201 of the Energy Efficiency Financing Act [§ 8-1778.21].

(May 27, 2010, D.C. Law 18-183, § 401(b), 57 DCR 3406.)

**Legislative history of Law 18-183.** — Law 18-183, the “Energy Efficiency Financing Act of 2010”, was introduced in Council and assigned Bill No. 18-580, which was referred to the Committee on Finance and Revenue and the Committee on Government Operations and the Environment. The bill was adopted on first and

second readings on March 2, 2010, and March 16, 2010, respectively. Signed by the Mayor on April 7, 2010, it was assigned Act No. 18-382 and transmitted to both Houses of Congress for its review. D.C. Law 18-183 became effective on May 27, 2010.

## § 47-895.32. Levy of Special Assessment.

(a) A Special Assessment is levied and shall be collected with respect to each lot for which an Energy Efficiency Loan Agreement has been entered into by a property owner. The Special Assessment shall begin at the commencement of the half tax year immediately following the date on which the Energy Efficiency Loan Agreement is entered into and continue until the end of the half tax year in which the Energy Efficiency Loan is fully repaid pursuant to the Energy Efficiency Loan Agreement. At the time the Energy Efficiency Loan Agreement is executed, a memorandum of the Special Assessment shall be recorded in the land records of the District. The memoranda of the Special Assessment shall be exempt from the recordation tax levied pursuant to § 42-1103 and the transfer tax levied pursuant to § 47-903.

(b) The annual amount of the Special Assessment on each lot shall be an amount equal to the annual principal, interest, and administrative costs on the Energy Efficiency Loan applicable to that lot as described in [§ 8-1778.41]. The Special Assessment to be collected from any lot shall not be increased as a result of a default in the payment of the Special Assessment levied on any other lot. The Special Assessment shall not be increased by any means other than those prescribed in the Energy Efficiency Loan Agreement.

(c) If a property owner agrees to a Special Assessment to reduce energy costs and increases rents to tenants in that property to pay the costs of the Special Assessment, the property owner shall pass through the energy savings to the tenants so charged.

(May 27, 2010, D.C. Law 18-183, § 401(b), 57 DCR 3406.)

**Legislative history of Law 18-183.** — For Law 18-183, see notes following § 47-895.31.

## § 47-895.33. Notices; collection; penalties.

(a) The Energy Efficiency Loan Agreement shall require the property owner to consent to the levy of the Special Assessment on the lots, following which consent, all actions by any owner of the lot to challenge the levy of the Special Assessment shall be forever barred. The property owner that enters into an Energy Efficiency Loan Agreement and each subsequent owner of the lot shall provide notice to the buyer of the lot of the levy of the Special Assessment; provided, that the notice shall not apply to lots sold under Chapter 13A [of this

title]. Failure to receive disclosure of the Special Assessment by a subsequent owner shall not relieve the subsequent owner of the obligation to pay the Special Assessment.

(b) Special Assessments shall be collected in the same manner and at the same time as real property taxes are collected; provided, that the Special Assessments may be collected at a different time and in a different manner as determined by the Chief Financial Officer.

(c)(1) Except as provided in paragraph (2) of this subsection, an unpaid Special Assessment shall be subject to the same penalty and interest provisions as a delinquent real property tax under this chapter. A lien for an unpaid Special Assessment, including penalty and interest, shall attach to the real property in the same manner as, and with a priority immediately junior to, a lien for delinquent real property tax under Chapter 13A [of this title] and senior to all other liens. Real property sold at a tax sale for the failure to pay real property taxes shall remain subject to the obligation to pay Special Assessments in subsequent years as provided in this subchapter. The unpaid Special Assessment shall be collected in the same manner and under the same conditions and subject to the same penalties as for unpaid real property taxes.

(2) If an interest in or use of a lot is subject to the Special Assessment because it is subject to taxation under § 47-1005.01, an unpaid Special Assessment on such an interest or use shall be subject to the same penalty and interest provisions as a delinquent tax imposed under § 47-1005.01, and the unpaid Special Assessment shall be collected in the same manner and under the same conditions and subject to the same penalty as for an unpaid tax imposed under § 47-1005.01.

(May 27, 2010, D.C. Law 18-183, § 401(b), 57 DCR 3406.)

**Legislative history of Law 18-183.** — For Law 18-183, see notes following § 47-895.31.

### **§ 47-895.34. Termination of Special Assessment.**

(a) The authority to levy Special Assessments under this subchapter shall terminate on the day after all the bonds secured by that Special Assessment and issued pursuant to the authority granted in [subchapter II of Chapter 17R of Title 8] are paid for and are no longer outstanding pursuant to their terms. Notwithstanding the preceding sentence, any delinquent Special Assessments and related penalties and interest shall remain due as provided herein until fully paid.

(b) If a property owner elects to pay in full, prior to maturity, all principal and outstanding interest on the Energy Efficiency Loan Agreement, the repayment amount shall be deposited into the applicable Special Energy Assessment Bond Debt Service Account of the Special Energy Assessment Fund.

(May 27, 2010, D.C. Law 18-183, § 401(b), 57 DCR 3406.)

**Legislative history of Law 18-183.** — For Law 18-183, see notes following § 47-895.31.



**§ 47-895.35. Application of Special Assessment.**

The Chief Financial Officer shall deposit the Special Assessment revenues collected under this subchapter in the Special Energy Assessment Fund.

(May 27, 2010, D.C. Law 18-183, § 401(b), 57 DCR 3406.)

**Legislative history of Law 18-183.** — For Law 18-183, see notes following § 47-895.31.

CHAPTER 9. TRANSFER TAX ON REAL PROPERTY.

Sec.

47-901. Definitions.

47-902. Enumeration of transfers exempt from tax.

47-903. Imposition of tax; rate; returns; liability for tax.

47-904. Consideration; basis for computation of tax.

47-905, 47-906. [Repealed].

47-907. Presumption; burden of proof.

47-908, 47-909. [Repealed].

47-910. [Repealed].

Sec.

47-911 to 47-913. [Repealed].

47-914. Judicial review.

47-915. [Repealed].

47-916. Issuance of rules and regulations to carry out chapter.

47-917, 47-918. [Repealed].

47-919. Disposition of monies collected.

47-920. Issuance of rules and regulations for administration of chapter.

47-921, 47-922. [Repealed].

§ 47-901. Definitions.

When used in this chapter, unless otherwise required by the context:

(1) The word "District" means the geographic boundaries of the District of Columbia.

(2) The word "Mayor" means the Mayor of the District of Columbia, or his or her duly authorized agents or representatives.

(3) The word "deed" means any document, instrument, or writing (other than a lease or ground rent for a term (including renewals) that is less than 30 years), regardless of where made, executed, or delivered whereby any real property in the District, or any interest therein (including an estate for life), is conveyed, vested, granted, bargained, sold, transferred, or assigned.

(4) The words "real property" mean every estate or right, legal or equitable, present or future, vested or contingent in lands, tenements, or hereditaments located in whole or in part within the District.

(5) The word "consideration", except as otherwise provided in § 47-904, means the price or amount actually paid, or required to be paid for real property including any mortgages, liens, encumbrances thereon, construction loan deeds of trust or mortgages, or permanent loan deeds of trust or mortgages.

(6) The word "person" means an individual, partnership, society, association, joint stock company, corporation, estate, receiver, trustee, assignee, any individual acting in a fiduciary or representative capacity, whether appointed by a court or otherwise, any combination of individuals, and any other form of unincorporated enterprise owned or conducted by 2 or more persons.

(7) The word "deficiency" means the amount or amounts by which the tax imposed by this chapter as determined by the Mayor exceeds the amount shown as the tax upon the return of the person or persons liable for the payment thereof.

(8) The word "taxpayer" means any person required by this chapter to pay a tax, or file a return.

(9) The word "transfer" means the process whereby any real property in the District, or any interest therein is conveyed, vested, granted, bargained, sold, transferred, or assigned from 1 person to another.

(10) The word "transferor" means the person who conveys, vests, grants,



bargains, sells, transfers, or assigns any real property or any interest therein in the District, or causes the same through his or her authorized agent.

(11) The word “transferee” means the person to whom any real property in the District, or any interest therein, is conveyed, vested, granted, bargained, sold, transferred, or assigned.

(Sept. 13, 1980, D.C. Law 3-92, § 401, 27 DCR 3390; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 505(a), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-901.

**Effect of amendments.** — D.C. Law 13-305, in par. (3), substituted “lease or ground rent for a term (including renewals) that is less than 30 years” for “will or a lease” and substituted “or any interest therein (including an estate for life)” for “or any interest therein”.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 5(a) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 5(a) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 3-92.** — Law 3-92, the “District of Columbia Revenue Act of

1980,” was introduced in Council and assigned Bill No. 3-285, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 17, 1980 and July 1, 1980, respectively. Signed by the Mayor on July 9, 1980, it was assigned Act No. 3-214 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 13-305.** — Law 13-305, the “Tax Clarity Act of 2000”, was introduced in Council and assigned Bill No. 13-586, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on October 2, 2000, and November 8, 2000, respectively. Signed by the Mayor on December 13, 2000, it was assigned Act No. 13-501 and transmitted to both Houses of Congress for its review. D.C. Law 13-305 became effective on June 9, 2001.

## § 47-902. Enumeration of transfers exempt from tax.

The following transfers shall be exempt from the tax imposed by this chapter:

- (1) Repealed;
- (2) Transfers of property by the United States of America or the District of Columbia governments, unless its taxation has been authorized by Congress;
- (3) Transfers of real property by an institution, organization, corporation, or government receiving a valid real property tax exemption for the real property under § 47-1002 (or exempt from transfer taxes under a law of the United States of America or the District of Columbia); provided further, that this exemption shall not apply to property which is exempt under § 47-1002(29) or § 47-1002(30);
- (4) Repealed;
- (5) Transfers between spouses, parent and child, grandparent and grandchild, or domestic partners as defined in § 32-701(3), without actual consideration therefor;
- (6) Transfers evidenced by deeds of release of property which is security for a debt or other obligation;
- (7) Transfers which secure a debt or other obligation;
- (8) Transfers which, without additional consideration, confirm, correct, modify, or supplement a transfer previously recorded;

(9) Transfers of property to a qualifying lower income homeownership household in accordance with § 47-3503(b);

(10) Transfers of property to a qualifying nonprofit housing organization in accordance with § 47-3505(b);

(11) Transfers of property to a cooperative housing association in accordance with § 47-3503(b)(2);

(12) A transfer of bare legal title into a revocable trust, without actual consideration for the transfer, where the transferor is the current beneficiary of the trust;

(13) A transfer of property to a named beneficiary of a revocable trust by reason of the death of the grantor of the revocable trust;

(14) A transfer of property by the trustee of a revocable trust if the transfer would otherwise be exempt under this section if made by the grantor of the revocable trust;

(15) The transfer of property to a resident management corporation in accordance with § 47-3506.01;

(16)(A) A transfer of property to a limited liability company in accordance with § 29-1013;

(B) In order for limited liability companies to receive the exemption provided in subparagraph (A) of this paragraph, the Director of the Department of Finance and Revenue shall be notified, within 30 days, of any change to the members or interests in profits and losses during the 12-month period following the effective date of the conversion so that the applicable transfer tax can be imposed; and

(C) Violation of the provisions of subparagraph (B) of this paragraph shall be punishable pursuant to § 47-918 [repealed];

(17)(A) Transfers with respect to the real property (and any improvements thereon) described as Square 454, Lots 41, 824, 838, 857, 877, 878; the portion of the public alley that reverted to (i) former Lot 820, (which is currently known as Lot 866), and (ii) former Lot 821 (which is currently known as Lot 867) pursuant to the Plat of Alley Closing filed with the Surveyor of the District of Columbia in Liber 17 at folio 74; the portions of the public alley that will revert to Lots 41, 824, 838, 857, 877 and 878, all in Square 454, pursuant to the alley closing approved by the Closing of Public Alleys in Square 454 and Square 455, S.O. 98-194 Act of 1999, effective October 22, 1999 (D.C. Law 13-48; 46 DCR 6768).

(B) The amount of all taxes, fees, and deposits exempt, abated, or waived under this paragraph, section 2(b) of the Gallery Place Economic Development Amendment Act of 2000, effective April 3, 2001 (D.C. Law 13-241; 48 DCR 610) [D.C. Code § 2-1217.31(b)], and §§ 45-922(24) [§ 42-1102(24)], 47-1002(26), and 47-2005(32) [§ 47-2005(30)], shall not exceed, in the aggregate, \$7 million;

(18) Deeds of personal representatives of decedents, acting under the provisions of Title 20, transferring to a distributee, without additional consideration, real property of a decedent or a life estate in real property;

(19)(A) Transfers with respect to the real property (and any improvements thereon) described as Square 299, Lot 831, in connection with the debt



or equity financing for the Mandarin Oriental Hotel Project until the Development Sponsor sells the Mandarin Oriental Hotel Project, as evidenced by the recordation of a deed conveying title to Square 299, Lot 831, at which time such amounts shall be due and payable without penalty or interest.

(B) The amount of all taxes, fees, and deposits deferred under this paragraph, section 2(b) of the Mandarin Oriental Hotel Tax Deferral Act of 2002, passed on 2nd reading on September 17, 2002 (Enrolled version of Bill 14-466) [D.C. Code § 14-232], and §§ 42-1102(25), 47-1002(27), and 47-2005(33) [§ 47-2005(34)], shall not exceed, in the aggregate, \$4 million.

(C) For purposes of this paragraph, the term:

(i) "Development Sponsor" means Portals Hotel Site, LLC, a Delaware limited liability company, and its successors and assigns.

(ii) "Mandarin Oriental Hotel Project" means the acquisition and initial development, construction, equipping, and furnishing of a Mandarin Oriental hotel within the Portals project, located on Square 299, Lot 831, consisting of a 400-room hotel with approximately 33,000 square feet of associated meeting and banquet space, 2 restaurants, a health spa and fitness center totaling approximately 10,000 square feet, and approximately 90,000 square feet of public parking space for approximately 200 cars.

(iii) "Mandarin TIF Bonds" means the tax increment financing bonds issued in connection with the Mandarin Oriental Hotel Project pursuant to the Tax Increment Revenue Bonds Mandarin Hotel Project Emergency Approval Resolution of 2000, effective March 7, 2000 (Res. 13-510; 47 DCR 2133), and the Mandarin Hotel Project Modification Approval Resolution of 2000, effective December 19, 2000 (Res. 13-745; 48 DCR 83).

(D) This paragraph shall apply upon the closing of the sale of the Mandarin TIF Bonds;

(20) Transfers pursuant to a decree of divorce or of separate maintenance or pursuant to a written instrument incident to such divorce or separation;

(21) Transfers by an entity described in paragraph (3) of this section of a lease or ground rent for a term (including renewals) that is at least 30 years;

(22)(A) Transfers of residential real property, without consideration for the transfer, to the trustee of a special needs trust established for the benefit of a trust beneficiary who has a disability, as defined in section 1614(a)(3) of the Social Security Act, 86 Stat.1471; 42 U.S.C. § 1382c(a)(3)), or from the trustee of a special needs trust that, by its terms, terminates upon the death of the trust beneficiary with a disability.

(B) For the purposes of subparagraph (A) of this paragraph, a trust is a special needs trust if the trust instrument:

(i) States, among its purposes, that the trust assets are not intended to be counted in determining the beneficiary's eligibility for needs-based governmental benefits; and

(ii)(I) Names the beneficiary with a disability as the sole trust beneficiary during his or her lifetime; and

(II) Provides that the beneficiary with a disability may not serve as trustee.

(23) Transfers of property to a qualifying low- or moderate-income house-

hold pursuant to the Inclusionary Zoning Program established by subchapter II-A of Chapter 10 of Title 6.

(24) Transfer of real property to the District of Columbia, without consideration for the transfer, at the request of the District of Columbia, and conveyed as a bona fide gift to the District of Columbia.

(Sept. 13, 1980, D.C. Law 3-92, § 402, 27 DCR 3390; Mar. 10, 1982, D.C. Law 4-72, § 2, 28 DCR 5273; Oct. 8, 1983, D.C. Law 5-31, § 10(a), 30 DCR 3879; Mar. 16, 1989, D.C. Law 7-205, § 4, 36 DCR 457; Mar. 7, 1992, D.C. Law 9-56, § 2, 38 DCR 7281; June 11, 1992, D.C. Law 9-120, § 4(b), 39 DCR 3195; Sept. 8, 1995, D.C. Law 11-38, § 4(c), 42 DCR 3269; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 3, 2001, D.C. Law 13-241, § 4(a), 48 DCR 610; June 9, 2001, D.C. Law 13-305, § 505(b), 48 DCR 334; Oct. 19, 2002, D.C. Law 14-213, §§ 33(k), 36(d), 49 DCR 8140; Mar. 25, 2003, D.C. Law 14-232, § 4(a), 49 DCR 9764; Apr. 4, 2003, D.C. Law 14-282, § 11(o), 50 DCR 896; Mar. 13, 2004, D.C. Law 15-105, § 38(b)(1), 51 DCR 881; Sept. 8, 2004, D.C. Law 15-176, § 5, 51 DCR 5707; Apr. 5, 2005, D.C. Law 15-293, § 13(a), 52 DCR 1465; Apr. 13, 2005, D.C. Law 15-354, § 73(c), 52 DCR 2638; Oct. 20, 2005, D.C. Law 16-33, §§ 1213, 1297(b), 52 DCR 7503; Mar. 14, 2007, D.C. Law 16-275, § 204, 54 DCR 880; Mar. 24, 2007, D.C. Law 16-305, § 73(c), 53 DCR 6198; Mar. 20, 2008, D.C. Law 17-118, § 202(a), 55 DCR 1461; Sept. 12, 2008, D.C. Law 17-231, § 41(d), 55 DCR 6758; Sept. 14, 2011, D.C. Law 19-21, § 7052, 58 DCR 6226.)

**Cross references.** — Lower income homeownership tax abatement, real property transfer tax exemption, qualifying households and cooperative housing associations, see § 47-3503.

Lower income homeownership tax abatement, real property transfer tax exemption, qualifying nonprofit housing organizations, see § 47-3505.

Lower income homeownership tax abatement, real property transfer tax exemption, qualifying resident management corporations, see § 47-3506.01.

**Prior Codifications.** — 1981 Ed., § 47-902.

**Effect of amendments.** — D.C. Law 13-241, in par. (15), deleted “and” from the end; in par. (16), substituted “; and” for a semicolon; and added par. (17).

D.C. Law 13-305, in par. (15), deleted “and” from the end; in par. (16), substituted a semicolon for a period at the end of subpars. (A) to (C); and added par. (18).

D.C. Law 14-213, in par. (16)(C), made a nonsubstantive change; in par. (17)(B), substituted “§ 47-2005(32)” for “§ 47-2005(28)”; and in pars. (16)(B), (17)(B) and (18), validated previously made technical corrections.

D.C. Law 14-232 substituted a semicolon for “; and” at the end of par. (17); substituted “; and” for a period at the end of par. (18); and added par. (19).

D.C. Law 14-282 repealed par. (1); in par. (2), substituted “governments, unless its taxation has been authorized by Congress;” for “governments;”; rewrote par. (3); repealed par. (4); made nonsubstantive changes in par. (18) and (19); and added pars. (20) and (21).

D.C. Law 15-105 validated a previously made technical correction.

D.C. Law 15-176, in par. (5), substituted “parent and child, or domestic partner as defined in § 32-701(3),” for “or parent and child,”.

D.C. Law 15-293, in par. (3), substituted “District of Columbia; provided further, that this exemption shall not apply to property which is exempt under § 47-1002(29);” for “District of Columbia;”.

D.C. Law 15-354, in pars. (16)(C) and (17)(B), validated a previously made technical correction.

D.C. Law 16-33, substituted “parent and child, grandparent and grandchild, or domestic partners,” for “or parent and child, or domestic partners;” in par. (20) substituted a semicolon for “; and”; in par. (21), substituted “; and” for a period; and added par. (22).

D.C. Law 16-275 added par. (23).

D.C. Law 16-305, in par. (22)(A), substituted “has a disability” for “is disabled”, and “trust beneficiary with a disability” for “disabled trust beneficiary”; and, in par. (22)(B)(ii), substituted “beneficiary with a disability” for “disabled beneficiary”.



D.C. Law 17-118, in par. (3), inserted "or § 47-1002(30)".

D.C. Law 17-231, in par. (5), substituted "spouses" for "husband and wife".

D.C. Law 19-21 added par. (24).

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 5(b) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

For temporary (225 day) amendment of section, see § 4(a) of Mandarin Oriental Hotel Project Tax Deferral Temporary Act of 2002 (D.C. Law 14-143, May 21, 2002, law notification 49 DCR 5060).

For temporary (225 day) amendment of section, see § 12(o) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 2 of Washington Metropolitan Area Transit Authority Property Dedication Transfer Tax Exemption Temporary Act of 2002 (D.C. Law 14-220, March 25, 2003, law notification 50 DCR 2733).

For temporary (225 day) amendment of section, see § 12(o) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

Section 3(a) of D.C. Law 17-76 added par. (24) to read as follows: "(24) Transfer of Lots 3 and 4, Square 5919 to Specialty Hospitals of America, LLC, or certain of its subsidiary entities."

Section 8(b) of D.C. Law 17-76 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 4(a) of the Gallery Place Economic Development Emergency Amendment Act of 2000 (D.C. Act 13-500, January 5, 2001, 48 DCR 562).

For temporary (90 day) amendment of section, see § 5(b) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see § 4(a) of Mandarin Oriental Hotel Project Tax Deferral Emergency Act of 2001 (D.C. Act 14-227, January 8, 2002, 49 DCR 682).

For temporary (90 day) amendment of section, see § 4(a) of Mandarin Oriental Hotel Project Tax Deferral Second Congressional Review Emergency Act of 2002 (D.C. Act 14-563, December 23, 2002, 50 DCR 278).

For temporary (90 day) amendment of section, see §§ 4(a) and 5 of Mandarin Oriental Hotel Project Tax Deferral Congressional Review Emergency Act of 2002 (D.C. Act 14-345, April 24, 2002, 49 DCR 4300).

For temporary (90 day) amendment of section, see § 12(o) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 2 of Washington Metropolitan Area Transit Authority Property Dedication Transfer Tax Exemption Emergency Act of 2002 (D.C. Act 14-421, July 17, 2002, 49 DCR 7416).

For temporary (90 day) amendment of section, see § 12(o) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 2 of Washington Metropolitan Area Transit Authority Property Dedication Transfer Tax Exemption Emergency Act of 2004 (D.C. Act 15-412, April 21, 2004, 51 DCR 4682).

For temporary (90 day) amendment of section, see § 12(o) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

For temporary (90 day) amendment of section, see § 2 of Washington Metropolitan Area Transit Authority Property Dedication Transfer Tax Exemption Congressional Review Emergency Act of 2002 (D.C. Act 14-512, October 23, 2002, 49 DCR 10473).

For temporary (90 day) amendment of section, see §§ 1213, 1297(f), 1298, 1299 of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

For temporary (90 day) amendment of section, see § 4(a) of East of the River Hospital Revitalization Emergency Amendment Act of 2007 (D.C. Act 17-168, October 19, 2007, 54 DCR 10978).

For temporary (90 day) amendment of section, see § 3(a) of East of the River Hospital Revitalization Tax Exemption Emergency Amendment Act of 2007 (D.C. Act 17-174, November 2, 2007, 54 DCR 11216).

For temporary (90 day) amendment of section, see § 202(a) of Arthur Capper/Carrollsborg Public Improvement Revenue Bonds Technical Correction Emergency Act of 2008 (D.C. Act 17-318, March 19, 2008, 55 DCR 3418).

**Legislative history of Law 3-92.** — For legislative history of D.C. Law 3-92, see Historical and Statutory Notes following § 47-901.

**Legislative history of Law 4-72.** — Law 4-72, the "Technical Amendments to the District of Columbia Revenue Act of 1980 Act of 1981," was introduced in Council and assigned Bill No. 4-174, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on October 27, 1981 and November 10, 1981, respectively. Signed by the Mayor on December 2, 1981, it was assigned Act No. 4-119 and trans-

mitted to both Houses of Congress for its review.

**Legislative history of Law 5-31.** — Law 5-31, the “Lower Income Homeownership Tax Abatement and Incentives Act of 1983,” was introduced in Council and assigned Bill No. 5-167, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 28, 1983 and July 12, 1983, respectively. Signed by the Mayor on July 21, 1983, it was assigned Act No. 5-53 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 7-205.** — Law 7-205, the “Cooperative Housing Assessment Procedure and Lower Income Homeownership Tax Abatement and Incentives Act of 1988,” was introduced in Council and assigned Bill No. 7-548, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 29, 1988 and December 13, 1988, respectively. Signed by the Mayor on January 6, 1989, it was assigned Act No. 7-276 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 9-56.** — Law 9-56, the “Revocable Trust Tax Exemption Amendment Act of 1991,” was introduced in Council and assigned Bill No. 9-53, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on October 1, 1991, and November 5, 1991, respectively. Signed by the Mayor on November 25, 1991, it was assigned Act No. 9-99 and transmitted to both Houses of Congress for its review. D.C. Law 9-56 became effective March 7, 1992.

**Legislative history of Law 9-120.** — Law 9-120, the “Public Housing Homeownership Tax Abatement Amendment Act of 1992,” was introduced in Council and assigned Bill No. 9-356, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on March 3, 1992, and April 7, 1992, respectively. Signed by the Mayor on April 24, 1992, it was assigned Act No. 9-194 and transmitted to both Houses of Congress for its review. D.C. Law 9-120 became effective on June 11, 1992.

**Legislative history of Law 11-38.** — Law 11-38, the “Limited Liability Company Amendment Act of 1995,” was introduced in Council and assigned Bill No. 11-75, which was referred to the Committee on Consumer and Regulatory Affairs. The Bill was adopted on first and second readings on May 2, 1995, and June 6, 1995, respectively. Signed by the Mayor on June 19, 1995, it was assigned Act No. 11-71 and transmitted to both Houses of Congress for its review. D.C. Law 11-38 became effective on September 8, 1995.

**Legislative history of Law 13-241.** — Law 13-241, the “Gallery Place Economic Develop-

ment Amendment Act of 2000”, was introduced in Council and assigned Bill No. 13-877, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 8, 2000, and December 5, 2000, respectively. Signed by the Mayor on December 21, 2000, it was assigned Act No. 13-519 and transmitted to both Houses of Congress for its review. D.C. Law 13-241 became effective on April 3, 2001.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 14-213.** — For Law 14-213, see notes following § 47-820.

**Legislative history of Law 14-232.** — Law 14-232, the “Mandarin Oriental Hotel Project Tax Deferral Act of 2002”, was introduced in Council and assigned Bill No. 14-466, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on July 2, 2002, and October 1, 2002, respectively. Signed by the Mayor on October 23, 2002, it was assigned Act No. 14-489 and transmitted to both Houses of Congress for its review. D.C. Law 14-232 became effective on March 25, 2003.

**Legislative history of Law 14-282.** — Law 14-282, the “Tax Clarity and Recorder of Deeds Act of 2002”, was introduced in Council and assigned Bill No. 14-537, which was referred to Committee on Finance and Revenue. The Bill was adopted on first and second readings on July 2, 2002, and October 1, 2002, respectively. Signed by the Mayor on January 22, 2003, it was assigned Act No. 14-616 and transmitted to both Houses of Congress for its review. D.C. Law 14-282 became effective on April 4, 2003.

**Legislative history of Law 15-105.** — Law 15-105, the “Technical Amendments Act of 2003”, was introduced in Council and assigned Bill No. 15-437, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 4, 2003, and December 2, 2003, respectively. Signed by the Mayor on January 6, 2004, it was assigned Act No. 15-291 and transmitted to both Houses of Congress for its review. D.C. Law 15-105 became effective on March 13, 2004.

**Legislative history of Law 15-176.** — Law 15-176, the “Deed Recordation Tax and Related Amendments Amendment Act of 2004”, was introduced in Council and assigned Bill No. 15-462, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on April 6, 2004, and May 4, 2004, respectively. Signed by the Mayor on May 21, 2004, it was assigned Act No. 15-426 and transmitted to both Houses of Congress for its review. D.C. Law 15-176 became effective on September 8, 2004.

**Legislative history of Law 15-293.** — Law 15-293, the “Payments in Lieu of Taxes Act of



2004", was introduced in Council and assigned Bill No. 15-882, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 9, 2004, and December 7, 2004, respectively. Signed by the Mayor on January 4, 2005, it was assigned Act No. 15-689 and transmitted to both Houses of Congress for its review. D.C. Law 15-293 became effective on April 5, 2005.

**Legislative history of Law 15-354.** — For Law 15-354, see notes following § 47-340.03.

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Legislative history of Law 16-275.** — Law 16-275, the "Inclusionary Zoning Implementation Amendment Act of 2006", was introduced in Council and assigned Bill No. 16-779, which was referred to Committee on the Whole. The Bill was adopted on first and second readings on December 5, 2006, and December 19, 2006, respectively. Signed by the Mayor on December 28, 2006, it was assigned Act No. 16-632 and transmitted to both Houses of Congress for its review. D.C. Law 16-275 became effective on March 14, 2007.

**Legislative history of Law 16-305.** — For Law 16-305, see notes following § 47-802.

**Legislative history of Law 17-118.** — Law 17-118, the "Arthur Capper/Carrollsborg Public Improvements Revenue Bonds Approval Amendment Act of 2008", was introduced in Council and assigned Bill No. 17-292 which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on December 11, 2007, and January 8, 2008, respectively. Signed by the Mayor on January 24, 2008, it was assigned Act No. 17-262 and transmitted to both Houses of Congress for its review. D.C. Law 17-118 became effective on March 20, 2008.

**Legislative history of Law 17-231.** — For Law 17-231, see notes following § 47-802.

**Legislative history of Law 19-21.** — For history of Law 19-21, see notes under § 47-305.02.

**Short title.** — Short title: Section 7051 of D.C. Law 19-21 provided that subtitle F of title VII of the act may be cited as "Real Property Transfer Tax Exemption Act of 2011".

**Effective date.** — Section 5 of Law 14-232 provided that this act shall take effect subject to the inclusion of its fiscal effect in an approved budget and financial plan.

**References in text.** — Section 2(b) of the Mandarin Oriental Hotel Tax Deferral Act of 2002, passed on 2nd reading on September 17, 2002 (Enrolled version of Bill 14-466), referred to in par. (19)(B), is D.C. Law 14-232, § 2(b), set out as a note under § 42-1102.

Pursuant to the Office of the Chief Financial Officer's "Notice of Public Interest" published in the April 18, 1997, issue of the District of

Columbia Register (44 DCR 2345) the Office of Tax and Revenue assumed all of the duties and functions previously performed by the Department of Finance and Revenue, as set forth in Commissioner's Order 69-96, dated March 7, 1969. This action was made effective January 22, 1997, nunc pro tunc.

**Editor's notes.** — Mayor authorized to issue rules: Section 6 of D.C. Law 9-56 provided that the Mayor shall, pursuant to subchapter I of Chapter 5 of Title 2, issue rules to implement the provisions of the act.

Section 5 of D.C. Law 9-120 provided that the Mayor may issue rules to implement the provisions of the act.

Section 2 of D.C. Law 13-241, as amended by section 40 of D.C. Law 14-213, provided:

"Tax and fee abatements Gallery Place Project .

"(a) For the purposes of this section, the term:

"(1) 'Development Sponsor' means Gallery Place Holdings LLC, a Delaware limited liability company, and its successors and assigns.

"(2) 'Gallery Place Project' means the acquisition, construction, installing, and equipping of a mixed-use complex located on Square 454, Lots 41, 824, 838, 857, 877, 878; the portion of the public alley that reverted to former Lot 820 (which is currently known as Lot 866), and former Lot 821 (which is currently known as Lot 867) pursuant to the Plat of Alley Closing filed with the Surveyor of the District of Columbia in Liber 17 at folio 74; and the portions of the public alley that will revert to Lots 41, 824, 838, 857, 877 and 878, all in Square 454, pursuant to the alley closing approved by the Closing of Public Alleys in Square 454 and Square 455, S.O. 98-194, Act of 1999, effective October 22, 1999 (D.C. Law 13-48; 46 DCR 6768), and consisting of:

"(A) An approximately 60,000-square-foot multiplex cinema;

"(B) A mixed-use facility providing for retail stores, dining, entertainment, a health and fitness club, offices, and related facilities;

"(C) A market-rate housing complex consisting of approximately 170 residential units;

"(D) A parking garage containing approximately 850 parking spaces; and

"(E) Other ancillary improvements.

"(b) All fees to be paid, and any deposits to be made, by or on behalf of the Development Sponsor in connection with the Gallery Place Project under the eighth unnumbered paragraph of the General Expenses title of An Act Making Appropriations to provide for the expense of the Government of the District of Columbia for the fiscal year ending June thirtieth, nineteen hundred and ten, and for other purposes are hereby waived.

"(c) The amount of all taxes, fees, and deposits exempt, abated, or waived under subsection (b) of this section, section 302(24) of the District

of Columbia Recordation Tax Act and D.C. Code 47-902(17), 47-1002(26), and 47-2005(32), shall not exceed, in the aggregate, \$7 million.

“(d) In accordance with section 5 of An Act providing a permanent form of government for the District of Columbia the Mayor shall expend up to \$2 million to improve and repair the streets, sewers, alleys, sidewalks, curbs, and gutters abutting the Gallery Place Project. All assessments upon abutting property for the cost of improvements to such streets, sewers, alleys, sidewalks, curbs, and gutters, including any expenses of assessment, shall be waived.”

Applicability of D.C. Law 15-176: Section 7 of D.C. Law 15-176 provided: “Sections 2 through 6 shall apply as of October 1, 2003.”

Applicability and expiration of subtitle KK of title I, §§ 1295 to 1300, of D.C. Law 16-33: Sections 1298 and 1299, as amended by D.C. Law 17-219, § 7068(l), (m) provided:

“Sec. 1298. Conditional applicability.

(a) Sections 1296 and 1297 shall apply for taxable years beginning after September 30, 2005.

“(b) Repealed.

“Sec. 1299. Repealed.”

### § 47-903. Imposition of tax; rate; returns; liability for tax.

(a)(1) There is imposed on the transferor for each transfer at the time the deed is submitted to the Mayor for recordation a tax at the rate of 1.1% of the consideration paid for the transfer; provided, that:

(A) If the interest in real property transferred is a lease or ground rent for a term (including renewals) that is at least 30 years, the transfer tax will be computed using the value determined in accordance with paragraphs (2) or (3) of this subsection; and

(B) If there is no consideration for a transfer or the consideration is nominal, the rate shall be applied to the fair market value of the real property covered by the interest transferred as determined by the Mayor.

(2) If there is a lease or ground rent for a term (including renewals) that is at least 30 years, the transfer tax shall be based upon the average annual rent over the term of the lease, including renewals, capitalized at a rate of 10%, plus any additional actual consideration payable; provided, that the amount to which the rate is applied shall not exceed the fair market value of the real property covered by the interest transferred.

(3) If the average annual rent of the lease or ground rent for a term (including renewals) that is at least 30 years cannot be determined, the transfer tax will be based on the greater of:

(A) One hundred and five percent of the minimum average annual rent ascertainable from the terms of the lease, capitalized at a rate of 10%, plus any additional consideration payable; or

(B) One hundred and fifty percent of the assessed value of the property covered by the interest transferred.

(a-1) Repealed.

(a-2) Repealed.

(a-3) Repealed.

(a-4) Beginning October 1, 2006, except for residential properties transferred for a consideration less than \$400,000, an additional tax of .35% is imposed upon a deed that is subject to the tax under subsection (a)(1) or (3) of this section. Of the funds collected under this subsection, 15% shall be Deposited in § 42-2802 and the remainder shall be deposited in the General Fund of the District of Columbia.

(a-5) In addition to the additional tax under subsection (a-4) of this section, for deeds recorded on or after June 1, 2009, an additional tax of 5% is imposed



on a deed that is subject to the tax under subsection (a) of this section and that transfers an interest in real property upon which is located a retail service station, as defined in § 36-301.01(15), where the retail service station had, or should have had a business license or endorsement to operate a retail service station within 6 months before the date the deed was timely recorded. The tax collected under this subsection shall be deposited in the General Fund of the District of Columbia.

(b)(1) Each such deed shall be accompanied by a return in such form as the Mayor may prescribe, executed by all parties to the deed, setting forth the consideration for the deed or debt secured by the deed, and such other information as the Mayor may require.

(2) The return shall be an integral part of the deed when prescribed and as required by regulation.

(3) The return shall not be confidential or subject to the provisions of §§ 47-1805.04 and 47-4406, unless otherwise provided by regulation.

(c) The transferor in a transfer shall have responsibility for payment of the taxes imposed by this section; provided, however, that if the transferor should fail to make payment the transferee shall be jointly and severally liable with the transferor for payment of said taxes. Notwithstanding the foregoing, the United States or the District governments shall not be jointly and severally liable with the transferor.

(d) The deed and accompanying return shall be due as prescribed in § 47-1431(a) for the recordation of a deed; provided, that if the deed and return are submitted to the Recorder of Deeds before the due date, the return shall be due and taxes shall be due and owing at the time of submission.

(e) Notwithstanding any other provision of this title, the denial of an exemption applied for under authority of § 47-902 shall be subject to the same notice and appeal provisions and procedures as set forth under § 47-1009 relating to the denial of a real property tax exemption applied for under authority of § 47-1002.

(Sept. 13, 1980, D.C. Law 3-92, § 403, 27 DCR 3390; July 26, 1989, D.C. Law 8-17, § 9, 36 DCR 4160; Apr. 9, 1997, D.C. Law 11-198, § 102, 43 DCR 4569; Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 9, 1997, D.C. Law 11-255, § 59, 44 DCR 1271; June 9, 2001, D.C. Law 13-305, § 505(c), 48 DCR 334; Oct. 26, 2001, D.C. Law 14-42, § 10(e), 48 DCR 7612; Apr. 4, 2003, D.C. Law 14-282, § 11(p), 50 DCR 896; June 5, 2003, D.C. Law 14-307, § 1103, 49 DCR 11664; Mar. 13, 2004, D.C. Law 15-105, §§ 26(c)(4), 82, 51 DCR 881; Dec. 7, 2004, D.C. Law 15-205, § 1233(b), 51 DCR 8441; June 8, 2006, D.C. Law 16-123, § 161(b), 53 DCR 2843; Mar. 2, 2007, D.C. Law 16-192, §§ 1132(b), 2054, 53 DCR 6899; Aug. 16, 2008, D.C. Law 17-219, § 2003(b), 55 DCR 7598; Mar. 25, 2009, D.C. Law 17-353, § 135, 56 DCR 1117; Mar. 3, 2010, D.C. Law 18-111, § 1241, 57 DCR 181.)

**Cross references.** — Conservation easements, real property transfer tax exemption, see § 42-202.

Limited liability companies, conversion of partnership to limited liability company, real

property transfer tax exemption, see § 29-1013.

**Prior Codifications.** — 1981 Ed., § 47-903.

**Effect of amendments.** — D.C. Law 13-305 rewrote the section which had read:

“(a) There is imposed on each transferor for each transfer at the time the deed is submitted to the Mayor for recordation a tax at the rate of 1.1% of the consideration for such transfer; provided, that in any case where application of the rate of tax to the consideration for the transfer results in a total tax of less than \$1 the tax shall be \$1.

“(b) Each such deed shall be accompanied by a return, under oath, in such form as the Mayor may prescribe, executed by all the parties to the deed, setting forth the consideration for the deed, the amount of tax payable, and such other information as the Mayor may require.

“(c) The transferor in a transfer shall have responsibility for payment of the taxes imposed by this section; provided, however, that if the transferor should fail to make payment the transferee shall be jointly and severally liable with the transferor for payment of said taxes. Neither the United States nor the District of Columbia governments shall be subject to liability for the tax imposed under this section.

“(d) The Mayor is authorized to prescribe, by regulation, reasonable extensions of time for the filing of the return required by subsection (b) of this section.”

D.C. Law 14-42, in subsec. (a)(2), substituted “based upon the average annual rent over the term of the lease, including renewals, capitalized at a rate of 10%” for “based on the capitalization of 10% of the average annual rent over the term of the lease, including renewals”; in subsec. (a)(3)(B), substituted “One hundred and fifty” for “One and one-half”; and in subsec. (c), substituted “provided, further” for “provided further”.

D.C. Law 14-282 rewrote subsec. (b); in subsec. (c), substituted “Notwithstanding the foregoing, the United States or the District governments shall not be jointly and severally liable with the transferor.” for “Neither the United States nor the District of Columbia governments shall be subject to liability for the tax imposed under this section.”; rewrote subsec. (d); and added subsec. (e).

D.C. Law 14-307, in subsec. (a)(1), substituted “1.5” for “1.1” and deleted the word “total” following “consideration”; and added subssecs. (a-1) and (a-2).

D.C. Law 15-105, in subsec. (a)(2), validated a previously made technical correction; and, in subsec. (a-2), substituted “§ 47-368.03” for “§ 47-143”.

D.C. Law 15-205, in par. (1) of subsec. (a), substituted “1.1%” for “1.5%”; and repealed subssecs. (a-1) and (a-2).

D.C. Law 16-123 added subsec. (a-3).

D.C. Law 16-192 repealed subsec. (a-3) as added by D.C. Law 16-123 and added a new subsec. (a-4). Subsec. (a-3) as added by D.C. Law 16-123 read as follows: “(a-3) Beginning for fiscal year 2008, if the amount of revenue

necessary to fund Chapter 29B of Title 38, in accordance with § 38-2972.01(a)(1) and (2) thereof is not sufficient, the tax imposed on commercial property by subsection (a) of this section shall be increased to rates, as determined annually by the Chief Financial Officer, rounded to the highest increment of 0.1%, sufficient to raise revenue in an amount needed to satisfy the deficiency in the fiscal year, subject to Council approval. After publishing the August revised revenue estimates and prior to September 1 of each year, the Chief Financial Officer shall determine the rates and publish a notice in the District of Columbia Register and on the website of the Office of the Chief Financial Officer stating the amount of the rates. The rates as determined by Chief Financial Officer shall be effective as of October 1 of the following fiscal year.”

D.C. Law 17-219 rewrote subsec. (a-4), which had read as follows: “(a-4) Beginning October 1, 2006, except for residential properties transferred for a consideration less than \$400,000, an additional tax of .35% is imposed upon a deed that is subject to the tax under subsection (a)(1) of this section. An amount equal to 39.93% of the funds collected under this subsection shall be deposited in the Mayor’s Comprehensive Housing Task Force Fund established by § 42-2855.01, 15% of the funds collected shall be deposited in the Housing Production Trust Fund established by § 42-2802, and the balance shall be deposited in the General Fund of the District of Columbia.”

D.C. Law 17-353 validated a previously made technical correction in the designation of subsec. (a-4).

D.C. Law 18-111 added subsec. (a-5).

**Temporary Amendment of Section.** —

For temporary amendment of section, see § 2(b) of Fiscal Year 1997 Budget Support Temporary Amendment Act of 1997 (D.C. Law 12-4, May 23, 1997, law notification 44 DCR 3718).

For temporary (225 day) amendment of section, see § 5(c) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

For temporary (225 day) amendment of section, see § 12(p) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(p) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Emergency legislation.** — For temporary amendment of section, see § 104 of the Fiscal Year 1997 Budget Support Emergency Act of 1996 (D.C. Act 11-302, July 25, 1996, 43 DCR 4181).



For temporary repeal of § 102 of D.C. Act 11-302, see § 3 of the Recordation and Transfer Tax Clarification Emergency Amendment Act of 1996 (D.C. Act 11-402, October 24, 1996, 43 DCR 5806).

For temporary repeal of § 102 of D.C. Act 11-360, see § 2(b) of the Fiscal Year 1997 Budget Support Emergency Amendment Act of 1997 (D.C. Act 12-37, March 18, 1997, 44 DCR 1935).

For temporary repeal of § 104 of D.C. Act 11-360, see § 2 of the Recordation and Transfer Tax Clarification Emergency Amendment Act of 1996 (D.C. Act 11-402, October 24, 1996, 43 DCR 5806).

For temporary (90 day) amendment of section, see § 5(c) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see § 10(e) of Technical Amendments Emergency Act of 2001 (D.C. Act 14-108, August 3, 2001, 48 DCR 7622).

For temporary (90 day) amendment of section, see §§ 1103 and 1104 of Fiscal Year 2003 Budget Support Amendment Emergency Act of 2002 (D.C. Act 14-544, December 4, 2002, 49 DCR 11700).

For temporary (90 day) amendment of section, see §§ 1103 and 1104 of the Fiscal Year 2003 Budget Support Amendment Congressional Review Emergency Act of 2003 (D.C. Act 15-27, February 24, 2003, 50 DCR 2151).

For temporary (90 day) amendment of section, see § 12(p) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 12(p) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(p) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

For temporary (90 day) amendment of section, see § 1103 of Fiscal Year 2003 Budget Support Amendment Second Congressional Review Emergency Act of 2003 (D.C. Act 15-103, June 20, 2003, 50 DCR 5499).

For temporary (90 day) amendment of section, see § 1233(b) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) amendment of section, see § 1233(b) of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

For temporary (90 day) amendment of section, see §§ 1132(b), 2054 of Fiscal Year 2007

Budget Support Emergency Act of 2006 (D.C. Act 16-477, August 8, 2006, 53 DCR 7068).

For temporary (90 day) amendment of section, see §§ 1132(b), 2054 of Fiscal Year 2007 Budget Support Congressional Review Emergency Act of 2006 (D.C. Act 16-499, October 23, 2006, 53 DCR 8845).

For temporary (90 day) amendment of section, see §§ 1132(b), 2054, of Fiscal Year 2007 Budget Support Congressional Review Emergency Act of 2007 (D.C. Act 17-1, January 16, 2007, 54 DCR 1165).

For temporary (90 day) amendment of section, see § 1241 of Fiscal Year 2010 Budget Support Second Emergency Act of 2009 (D.C. Act 18-207, October 15, 2009, 56 DCR 8234).

For temporary (90 day) amendment of section, see § 1241 of Fiscal Year Budget Support Congressional Review Emergency Amendment Act of 2009 (D.C. Act 18-260, January 4, 2010, 57 DCR 345).

**Legislative history of Law 3-92.** — For legislative history of D.C. Law 3-92, see Historical and Statutory Notes following § 47-901.

**Legislative history of Law 8-17.** — Law 8-17, the "Revenue Amendment Act of 1989," was introduced in Council and assigned Bill No. 8-224, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on May 2, 1989 and May 16, 1989, respectively. Signed by the Mayor on May 26, 1989, it was assigned Act No. 8-34 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 11-198.** — For legislative history of D.C. Law 11-198, see Historical and Statutory Notes following § 42-1103.

**Legislative history of Law 11-255.** — Law 11-255, the "Second Technical Amendments Act of 1996," was introduced in Council and assigned Bill No. 11-909, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 7, 1996, and December 3, 1996, respectively. Signed by the Mayor on December 24, 1996, it was assigned Act No. 11-519 and transmitted to both Houses of Congress for its review. D.C. Law 11-255 became effective on April 9, 1997.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 14-42.** — Law 14-42, the "Technical Correction Amendment Act of 2001," was introduced in Council and assigned Bill No. 14-216, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on June 5, 2001, and June 26, 2001, respectively. Signed by the Mayor on July 24, 2001, it was assigned Act No. 14-107 and transmitted to both Houses of Congress for its review. D.C. Law 14-42 became effective on October 26, 2001.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-902.

**Legislative history of Law 14-307.** — Law 14-307, the “Fiscal Year 2003 Budget Support Amendment Act of 2002”, was introduced in Council and assigned Bill No. 14-892, which was referred to the Committee on the Whole. The Bill was adopted on first and second readings on October 1, 2002, and November 7, 2002, respectively. Signed by the Mayor on December 4, 2002, it was assigned Act No. 14-543 and transmitted to both Houses of Congress for its review. D.C. Law 14-307 became effective on June 5, 2003.

**Legislative history of Law 15-105.** — For Law 15-105, see notes following § 47-902.

**Legislative history of Law 15-205.** — Law 15-205, the “Fiscal Year 2005 Budget Support Act of 2004”, was introduced in Council and assigned Bill No. 15-768, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on May 14, 2004, and June 29, 2004, respectively. Signed by the Mayor on August 2, 2004, it was assigned Act No. 15-487 and transmitted to both Houses of Congress for its review. D.C. Law 15-205 became effective on December 7, 2004.

**Legislative history of Law 16-123.** — For Law 16-123, see notes following § 47-2033.

**Legislative history of Law 16-192.** — For Law 16-192, see notes following § 47-340.23.

**Legislative history of Law 17-219.** — For Law 17-219, see notes following § 47-318.05a.

**Legislative history of Law 17-353.** — For Law 17-353, see notes following § 47-308.

**Short title.** — Short title: Section 1240 of D.C. Law 18-111 provided that subtitle Y of title I of the act may be cited as the “Retail Service Station Transfer Tax Act of 2009”.

**Editor's notes.** — Application of 14-307: Section 1104 of D.C. Law 14-307 provided: “Sections 1102 and 1003 shall apply as of January 1, 2003.”

Exemption from taxation for conversion of a partnership to a limited liability company: Section 3 of D.C. Law 11-38 provided that § 2 of the act shall apply as of July 23, 1994. Exemption from taxation for conversion of a partnership to a limited liability company: For exemption from the transfer tax imposed by this section in connections with the conversion of a partnership to a limited liability company, see § 29-1013(k) as added by § 2(d) of D.C. Law 11-38.

Section 401 of D.C. Law 16-123 provided: “Sec. 401. Sunset. If, pursuant to section 141(a)(1), there are unallocated local revenues, from existing revenue sources, sufficient to fund Title I, then section 141(a)(2) and (3), and section 161 shall sunset.”

## CASE NOTES

### In general.

Vendors breached contract for sale of real property by refusing to pay transfer tax imposed by District of Columbia after making of contract and before final closing and transfer of property. D.C. Code 1973, § 47-903. *McCulloch Development Corp. v. Winkler*, 531 F. Supp. 83, 1982 U.S. Dist. LEXIS 10539 (1982).

Fact that purchaser contracted to pay all examination of title, tax certificate, conveyanc-

ing, notary fees, deed recordation tax, all settlement charges and all recording charges in contract for purchase of real estate did not mean that purchaser voluntarily shouldered transfer tax burden which was imposed by District of Columbia after making of contract and before final closing and transfer of property. D.C. Code 1973, § 47-903. *McCulloch Development Corp. v. Winkler*, 531 F. Supp. 83, 1982 U.S. Dist. LEXIS 10539 (1982).

## § 47-904. Consideration; basis for computation of tax.

Where no price or amount is paid or required to be paid for real property or where such price or amount is nominal, the consideration for the deed to such property, shall, for purposes of the tax imposed by this chapter, be construed to be the fair market value of the real property, and the tax shall be based upon such fair market value. In any such case, the return required to be filed with the deed shall contain such information as to the fair market value of the real property as the Mayor shall require. Whenever, in the opinion of the Mayor, a return does not contain sufficient information as to the fair market value of such real property, the Mayor is authorized to make a determination thereof from the best information available.



(Sept. 13, 1980, D.C. Law 3-92, § 404, 27 DCR 3390; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-901.

**Prior Codifications.** — 1981 Ed., § 47-904.

**Legislative history of Law 3-92.** — For legislative history of D.C. Law 3-92, see Historical and Statutory Notes following § 47-901.

#### CASE NOTES

##### Sales price.

The law of the District of Columbia does not require that the recordation and transfer taxes on real property sold in foreclosure be computed solely on the basis of "fair market value" rather than the amount that was actually paid.

Askin v. District of Columbia, 123 WLR 1605 (Super. Ct. 1995).

As a matter of law that sales prices in a foreclosure case were not nominal. Askin v. District of Columbia, 123 WLR 1605 (Super. Ct. 1995).

### § 47-905. Investigation by Mayor to determine correctness of documents; production of books and records; examination of witnesses; service of summons; punishment for disobedience. [Repealed].

Repealed.

(Sept. 13, 1980, D.C. Law 3-92, § 405, 27 DCR 3390; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 4, 2003, D.C. Law 14-282, § 11(q), 50 DCR 896.)

**Prior Codifications.** — 1981 Ed., § 47-905.

**Temporary Repeal of Section** For temporary (225 day) repeal of section, see § 12(q) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) repeal of section, see § 12(q) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Emergency legislation.** — For temporary (90 day) repeal of section, see § 12(q) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) repeal of section, see § 12(q) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) repeal of section, see § 12(q) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 3-92.** — For legislative history of D.C. Law 3-92, see Historical and Statutory Notes following § 47-901.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 42-204.

### § 47-906. Conditions for recordation. [Repealed].

Repealed.

(Sept. 13, 1980, D.C. Law 3-92, § 406, 27 DCR 3390; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 4, 2003, D.C. Law 14-282, § 11(q), 50 DCR 896.)

**Prior Codifications.** — 1981 Ed., § 47-906.

**Temporary Repeal of Section** For temporary (225 day) repeal of section, see § 12(q) of Tax Clarity and Recorder of Deeds Temporary Act of

2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) repeal of section, see § 12(q) of Tax Clarity and Related Amend-

ments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Emergency legislation.** — For temporary (90 day) repeal of section, see § 12(q) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) repeal of section, see § 12(q) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) repeal of section, see § 12(q) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 3-92.** — For legislative history of D.C. Law 3-92, see Historical and Statutory Notes following § 47-901.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 42-204.

## § 47-907. Presumption; burden of proof.

For purpose of proper administration of this chapter and to prevent evasion of the tax hereby imposed, it shall be presumed that all transfers of real property are taxable and the burden shall be upon the taxpayer to show that a transfer is exempt from tax.

(Sept. 13, 1980, D.C. Law 3-92, § 407, 27 DCR 3390; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-907.

**Legislative history of Law 3-92.** — For

legislative history of D.C. Law 3-92, see Historical and Statutory Notes following § 47-901.

## § 47-908. Deficiencies in tax. [Repealed].

Repealed.

(Sept. 13, 1980, D.C. Law 3-92, § 408, 27 DCR 3390; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 4, 2003, D.C. Law 14-282, § 11(q), 50 DCR 896.)

**Prior Codifications.** — 1981 Ed., § 47-908.

Temporary Repeal of Section For temporary (225 day) repeal of section, see § 12(q) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) repeal of section, see § 12(q) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Emergency legislation.** — For temporary (90 day) repeal of section, see § 12(q) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) repeal of section, see § 12(q) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) repeal of section, see § 12(q) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 3-92.** — For legislative history of D.C. Law 3-92, see Historical and Statutory Notes following § 47-901.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 42-204.

## § 47-909. Interest; waiver; extension of time for payment. [Repealed].

Repealed.

(Sept. 13, 1980, D.C. Law 3-92, § 409, 27 DCR 3390; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 4, 2003, D.C. Law 14-282, § 11(q), 50 DCR 896.)



**Prior Codifications.** — 1981 Ed., § 47-909.

**Temporary Repeal of Section** For temporary (225 day) repeal of section, see § 12(q) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) repeal of section, see § 12(q) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Emergency legislation.** — For temporary (90 day) repeal of section, see § 12(q) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) repeal of section, see § 12(q) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) repeal of section, see § 12(q) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 3-92.** — For legislative history of D.C. Law 3-92, see Historical and Statutory Notes following § 47-901.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 42-204.

## § 47-910. Compromise; written agreements for settlement of tax liability; illegal acts; prosecutions.

Repealed.

(Sept. 13, 1980, D.C. Law 3-92, § 410, 27 DCR 3390; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(l)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-910.

**Legislative history of Law 3-92.** — For legislative history of D.C. Law 3-92, see Historical and Statutory Notes following § 47-901.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Section 410(e) of D.C. Law 13-305 provided: "Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x) through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001."

## § 47-911. Compromise of penalties. [Repealed].

Repealed.

(Sept. 13, 1980, D.C. Law 3-92, § 411, 27 DCR 3390; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(m)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-911.

**Legislative history of Law 3-92.** — For legislative history of D.C. Law 3-92, see Historical and Statutory Notes following § 47-901.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Section 410(d) of D.C.

Law 13-305 provided: "Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000."

## § 47-912. Limitations; time for making assessments; extension of time by agreement; suspension of running of limitations. [Repealed].

Repealed.

(Sept. 13, 1980, D.C. Law 3-92, § 412, 27 DCR 3390; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(m)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-912.

**Legislative history of Law 3-92.** — For legislative history of D.C. Law 3-92, see Historical and Statutory Notes following § 47-901.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Section 410(d) of D.C.

Law 13-305 provided: "Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000."

## § 47-913. Administration of oaths and affidavits. [Repealed].

Repealed.

(Sept. 13, 1980, D.C. Law 3-92, § 413, 27 DCR 3390; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(m)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-913.

**Legislative history of Law 3-92.** — For legislative history of D.C. Law 3-92, see Historical and Statutory Notes following § 47-901.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Section 410(d) of D.C.

Law 13-305 provided: "Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000."

## § 47-914. Judicial review.

Any person aggrieved by an assessment of a deficiency in tax finally determined by the Mayor under the provisions of § 47-908 [repealed] may appeal to the Superior Court of the District of Columbia in the same manner and to the same extent as set forth in §§ 47-3303, 47-3304, 47-3306, 47-3307, and 47-3308.

(Sept. 13, 1980, D.C. Law 3-92, § 414, 27 DCR 3390; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-914.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 12(r) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(r) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 12(r) of Tax Clarity and Recorder of Deeds Emergency

Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 12(r) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(r) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 3-92.** — For legislative history of D.C. Law 3-92, see Historical and Statutory Notes following § 47-901.

## § 47-915. Refunds; collection. [Repealed].

Repealed.

(Sept. 13, 1980, D.C. Law 3-92, § 415, 27 DCR 3390; enacted, Apr. 9, 1997, D.C.



Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(n), 48 DCR 334; Apr. 4, 2003, D.C. Law 14-282, § 11(r), 50 DCR 896.)

**Prior Codifications.** — 1981 Ed., § 47-915.

**Temporary Repeal of Section.** For temporary (225 day) repeal of section, see § 12(s) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) repeal of section, see § 12(s) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Emergency legislation.** — For temporary (90 day) repeal of section, see § 12(s) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) repeal of section, see § 12(s) of Tax Clarity and Related Amend-

ments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) repeal of section, see § 12(s) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 3-92.** — For legislative history of D.C. Law 3-92, see Historical and Statutory Notes following § 47-901.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Section 410(e) of D.C. Law 13-305 provided: "Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x) through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001."

## § 47-916. Issuance of rules and regulations to carry out chapter.

The Mayor is authorized to issue such rules and regulations as he or she may deem necessary to carry out the purposes of this chapter.

(Sept. 13, 1980, D.C. Law 3-92, § 416, 27 DCR 3390; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-916.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 12(t) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(t) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 12(t) of Tax Clarity and Recorder of Deeds Emergency

Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 12(t) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(t) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 3-92.** — For legislative history of D.C. Law 3-92, see Historical and Statutory Notes following § 47-901.

## § 47-917. Abatement authorized. [Repealed].

Repealed.

(Sept. 13, 1980, D.C. Law 3-92, § 417, 27 DCR 3390; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(o)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-917.

**Legislative history of Law 3-92.** — For legislative history of D.C. Law 3-92, see Historical and Statutory Notes following § 47-901.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Section 410(e) of D.C. Law 13-305 provided: "Section 406(b), (d), (f),

(l), (n), (o), (r), (v), (x) through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001.”

## § 47-918. Penalty; prosecutions. [Repealed].

Repealed.

(Sept. 13, 1980, D.C. Law 3-92, § 418, 27 DCR 3390; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(o)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-918.

**Legislative history of Law 3-92.** — For legislative history of D.C. Law 3-92, see Historical and Statutory Notes following § 47-901.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor’s notes.** — Section 410(e) of D.C.

Law 13-305 provided: “Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x) through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001.”

## § 47-919. Disposition of monies collected.

All monies collected under this chapter shall be deposited in the Treasury of the District of Columbia to the credit of the General Fund; provided, that 15% of the monies collected under this chapter shall be deposited into the Housing Production Trust Fund established by § 42-2802; and provided further that 85% of the monies collected from Lots 836, 837 and 855 in Square 37 (or such successor record or assessment and taxation lots as may be created through future subdivision or creation of condominium units), shall be deposited in the West End Library and Fire Station Maintenance Fund established by [§ 1-325.181].

(Sept. 13, 1980, D.C. Law 3-92, § 419, 27 DCR 3390; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 19, 2002, D.C. Law 14-114, § 502(a), 49 DCR 1468; Apr. 8, 2011, D.C. Law 18-368, § 7, 58 DCR 991.)

**Prior Codifications.** — 1981 Ed., § 47-919.

**Effect of amendments.** — D.C. Law 14-114 substituted “General Fund; provided, that 15% of the monies collected under this chapter shall be deposited into the Housing Production Trust Fund established by § 42-2802” for “General Fund”.

D.C. Law 18-368 substituted “Trust Fund established by § 42-2802; and provided further that 85% of the monies collected from Lots 836, 837 and 855 in Square 37 (or such successor record or assessment and taxation lots as may be created through future subdivision or creation of condominium units), shall be deposited in the West End Library and Fire Station Maintenance Fund established by § 1-325.181” for “Trust Fund established by § 42-2802”.

**Legislative history of Law 3-92.** — For

legislative history of D.C. Law 3-92, see Historical and Statutory Notes following § 47-901.

**Legislative history of Law 14-114.** — For Law 14-114, see notes following § 47-857.01.

**Legislative history of Law 18-368.** — Law 18-368, the “West End Parcels Development Omnibus Act of 2010”, was introduced in Council and assigned Bill No. 18-1076, which was referred to the Committee on Economic Development and the Committee on Finance and Revenue. The Bill was adopted on first and second readings on December 7, 2010, and December 21, 2010, respectively. Signed by the Mayor on January 27, 2011, it was assigned Act No. 18-719 and transmitted to both Houses of Congress for its review. D.C. Law 18-368 became effective on April 8, 2011.



## § 47-920. Issuance of rules and regulations for administration of chapter.

The Mayor is authorized to issue such rules and regulations necessary for the proper and efficient administration of this chapter.

(Sept. 13, 1980, D.C. Law 3-92, § 701, 27 DCR 3390; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-920.

Temporary Repeal of Section For temporary (225 day) repeal of section, see § 12(u) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) repeal of section, see § 12(u) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Emergency legislation.** — For temporary (90 day) repeal of section, see § 12(u) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) repeal of section, see § 12(u) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) repeal of section, see § 12(u) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 3-92.** — For legislative history of D.C. Law 3-92, see Historical and Statutory Notes following § 47-901.

## § 47-921. Severability; savings clause. [Repealed].

Repealed.

(Sept. 13, 1980, D.C. Law 3-92, § 702, 27 DCR 3390; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 4, 2003, D.C. Law 14-282, § 11(s), 50 DCR 896.)

**Prior Codifications.** — 1981 Ed., § 47-921.

Temporary Repeal of Section For temporary (225 day) repeal of section, see § 12(u) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) repeal of section, see § 12(u) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Emergency legislation.** — For temporary (90 day) repeal of section, see § 12(u) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) repeal of section, see § 12(u) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) repeal of section, see § 12(u) of Tax Clarity and Related Amendments Congressional Review Emergency Act of

2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 3-92.** — For legislative history of D.C. Law 3-92, see Historical and Statutory Notes following § 47-901.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 42-204.

**Editor's notes.** — This section of D.C. Law 3-92 applies to all repealers or amendments affected by that law. Accordingly, this section must be read with other sections of D.C. Law 3-92 relating to recordation tax on deeds (§ 45-921 et seq.), residential real property transfer excise tax (§ 47-1401 et seq.), gross sales tax (§ 47-2001 et seq.), use tax (§ 47-2201 et seq.), personal property tax (§ 47-1507), and income tax (§ 47-1801.01 et seq.). The reader is advised to consult the disposition table in Volume 11 to determine specifically which sections outside this chapter were amended or repealed by D.C. Law 3-92.

## § 47-922. Effective date. [Repealed].

Repealed.

(Sept. 13, 1980, D.C. Law 3-92, § 704(b), 27 DCR 3390; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 4, 2003, D.C. Law 14-282, § 11(s), 50 DCR 896.)

**Cross references.** — Deed recordation tax, exemptions, see § 42-1102.

**Prior Codifications.** — 1981 Ed., § 47-922.

**Temporary Repeal of Section** For temporary (225 day) repeal of section, see § 12(u) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) repeal of section, see § 12(u) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Emergency legislation.** — For temporary (90 day) repeal of section, see § 12(u) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) repeal of section, see § 12(u) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) repeal of section, see § 12(u) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 3-92.** — For legislative history of D.C. Law 3-92, see Historical and Statutory Notes following § 47-901.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 42-204.



CHAPTER 10. PROPERTY EXEMPT FROM TAXATION.

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| <p>Sec.<br/> 47-1001. Real property — Listing.<br/> 47-1002. Same — Exemptions.<br/> 47-1003. Disabled American Veterans.<br/> 47-1004. National Society of the Colonial Dames of America.<br/> 47-1005. Real property tax exemption.<br/> 47-1005.01. Interests in real property belonging to government and international organizations.<br/> 47-1006. Use of property by agencies of the United States or American Red Cross.<br/> 47-1007. Real property tax exemption.<br/> 47-1008. Abatement or refund of tax assessed against exempt property.<br/> 47-1009. Appeals from assessments.<br/> 47-1010. Rules and regulations.<br/> 47-1010.01. Real property tax exemption.<br/> 47-1011. Property of United States, District of Columbia, and foreign legations exempt from assessments for improvements.<br/> 47-1012. Louise Home.<br/> 47-1013. Sheridan tapestries.<br/> 47-1014. Chesapeake and Ohio Canal.<br/> 47-1015. Oak Hill Cemetery Company.<br/> 47-1016. Corcoran Gallery of Art — Real property and works of art.<br/> 47-1017. Same — Endowment fund.<br/> 47-1018. Howard University.<br/> 47-1019. Luther Statue Association.<br/> 47-1020. Saint Mark's Protestant Episcopal Church.<br/> 47-1021. Young Women's Christian Home.<br/> 47-1022. Young Women's Christian Association — Property.<br/> 47-1023. Young Women's Christian Association — Accrued liability.<br/> 47-1024. Young Men's Christian Association.<br/> 47-1025. Cedar Hill.<br/> 47-1026. Edes Home.<br/> 47-1027. General Education Board.<br/> 47-1028. Daughters of American Revolution — Lots 8, 9, and 10, square 173.<br/> 47-1029. Daughters of American Revolution — Square 173.<br/> 47-1030. Daughters of American Revolution — Square 173 — Lots 12, 13, 14, 15, and 16.<br/> 47-1031. Daughters of American Revolution — Square 173 — Lots 23, 24, 25, 26, 27, and 28.<br/> 47-1032. Daughters of American Revolution — Square 173 — Lots 4, 5, 6, 7, and 11.<br/> 47-1033. National Society United States Daughters of 1812; lot 811, square 210.</p> | <p>Sec.<br/> 47-1034. National Society of the Sons of the American Revolution.<br/> 47-1035. The American Legion; lot 32 and 33 in square 185 and lot 01 in square 763.<br/> 47-1036. National Education Association.<br/> 47-1036.01. National Education Association — Real property subject to District taxation.<br/> 47-1037. Society of the Cincinnati; part of lot 5, lots 42, 43, 49, and 837 in square 67.<br/> 47-1038. American Veterans of World War II; lot 805, square 160.<br/> 47-1039. Veterans of Foreign Wars; lots 38, 20, 19, and 841, square 757 and lot 0001 in square 2709.<br/> 47-1040. National Woman's Party; lots 863, 864, and 885, square 725.<br/> 47-1041. American Association of University Women; lot 84, square 197.<br/> 47-1042. National Guard Association; lot 60, square 625.<br/> 47-1043. Woodrow Wilson House.<br/> 47-1044. American Institute of Architects Foundation.<br/> 47-1045. Prince Hall Freemason and Eastern Star Charitable Foundation, lot 0826 in square 0333.<br/> 47-1046. American Legion, James Reese Europe Post No. 5, lot 33 in square 3508.<br/> 47-1047. ARCH Training Center, lots 80, 81, and 949 in Square 5861.<br/> 47-1048. Shakespeare Theatre; lot 814, square 787.<br/> 47-1049. Lowell School, lot 80, in square 2745-F.<br/> 47-1050. Greater Southeast Community Hospital Corporation and Hadley Memorial Hospital.<br/> 47-1051. Woolly Mammoth Theatre Company, lot 0042 in square 0457.<br/> 47-1052. Payments in lieu of taxes, lots 878 and 880, square 456.<br/> 47-1053. DC Teachers Federal Credit Union; lot 809, square 938.<br/> 47-1054. Capitol Hill Community Garden Land Trust; lot 30, square 1060.<br/> 47-1055. Payments in lieu of taxes, Reservation 13 Benefit Area.<br/> 47-1056. Rosedale Conservancy, lot 817 in square 1954.<br/> 47-1057. Crispus Attucks Development Corporation, lot 0046 in square 3117.<br/> 47-1058. Emmaus Rehabilitation Project, lot 74 in square 366.<br/> 47-1059. American College of Cardiology and American College of Cardiology Foundation.</p> |
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Sec.

- 47-1060. Southeast Neighborhood House, lots 0808, 0904, and 0905 in square 5802.
- 47-1061. Capitol Hill Community Garden Land Trust; lot 0109 in square 1100.
- 47-1062. Bread for the City Community Garden.
- 47-1063. Department of the District of Columbia Veterans of Foreign Wars; lot 0040, square 5167.
- 47-1064. Payments in lieu of taxes; lots 826 and 831, square 491.
- 47-1065. Douglass Knoll, Golden Rule, 1728 W Street and Wagner Gainsville Rehabilitation Projects, lot 840 in Square 525, lots 33 through 36 in square 5734, lots 42 through 44 in square 5835, lot 166 in square 5778, lots 38 through 44 in square 5894, and lots 69 through 72 in square 5895.
- 47-1066. The Catholic University of America's Soldiers and Airmen's Home, parcel No. 121/29.
- 47-1067. Way of the Cross Church of Christ; lots 918, 7, 9, 11, 118, 119, 120, 121, 122, 123, 124, 125, 126, 800, 801, 861, 863, 865, 867, 869, and 871 in square 5730.
- 47-1068. Appalachian State University, lot 42 in square 871.
- 47-1069. American Psychological Association, lot 146, square 677.
- 47-1070. Walter Reed military housing.

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- 47-1071. National Community Reinvestment Coalition; lot 20, square 222.
- 47-1072. New Columbia Community Land Trust; lots 803, 804, 805, 806, 807, and 808 in square 4110.
- 47-1073. Triangle Community Garden; lot 58, square 1966.
- 47-1074. Theatre Downtown, Inc.; lot 26, square 406.
- 47-1075. Far Southeast Community Organization; lots 73, 74, and 75 in square 5753.
- 47-1076. Heurich House Foundation; Lot 79, Square 115. [Not funded].
- 47-1077. Tregaron Conservancy, Lots 849 and 857, Square 2084.
- 47-1078. SOME, Inc., and Affiliates Property Tax Exemption.
- 47-1079. Golden Rule Plaza, Inc., Lots 837, 841, and 842, Square 525, and Lot 840, Square 526.
- 47-1080. Bolling Air Force Base housing.
- 47-1081. KIPP DC — Douglass Property; Lot 950, Square 5872.
- 47-1082. The Studio Theatre housing.
- 47-1083. Building Bridges Across the River, Inc., Lots 2 and 6, Square 5894.
- 47-1084. Affordable Housing Opportunities, Inc. residential rental project; Lot 800, Square 5984, and Lot 916, Square 5730.
- 47-1085. KIPP DC — Shaw Campus; Lot 163, Square 510.
- 47-1086. United House of Prayer for All People — kitchen or feeding facilities.
- 47-1087. Hill Center at the Old Naval Hospital; Lot 5, Square 948.

## § 47-1001. Real property — Listing.

The Mayor shall publish, by class and by individual property, a listing of all real property exempt from the real property tax in the District. Such listing shall include the address, lot and square number, the name of the owner, the assessed value of the land and improvements of such property, and the amount of the tax exemption in the previous fiscal year.

(Sept. 3, 1974, 88 Stat. 1060, Pub. L. 93-407, title IV, § 442; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Cross references.** — Business improvement districts, “nonexempt real property” defined, see § 2-1215.02.

**Prior Codifications.** — 1981 Ed., § 47-1001.  
1973 Ed., § 47-801-1.

**Editor's notes.** — American Association of University Women; Lot 84, Square 197: See Pub. L. 86-709, 74 Stat. 807, Sept. 6, 1960, as amended by D.C. Law 8-110, effective May 1, 1990, as to change of lot description.

Property taxes of Association of the Study of Afro-American Life and History, Inc., forgiven: Section 2 of D.C. Law 6-182 provided that all taxes, penalties, fees, and other charges assessed against the Association for the Study of Afro-American Life and History, Inc., on real property located at 1407 14th Street, N.W., Washington, D.C. in Square 0242 North, Lot 0801, for the period of July 1, 1982 to June 30, 1987, be forgiven, and any payments already made be refunded.



Section 3 of D.C. Law 6-182 provided that all taxes, penalties, fees, and other charges assessed against the Association for the Study of Afro-American Life and History, Inc., on real property located at 1538 9th Street, N.W., Washington, D.C., in Square 0365, Lot 0819, for the period of July 1, 1982 to June 30, 1987, be forgiven and any payments already made be refunded.

Property taxes of Redeemed Temple of Jesus Christ forgiven: Section 2 of D.C. Law 6-184 provided that all taxes, penalties, fees, and other charges assessed against the Redeemed Temple of Jesus Christ, on real property located at 734 First Street, S.W., Washington, D.C., in Square 643, Lot 830, for the period of July 1, 1983 to June 30, 1987, be forgiven and any payments already made be refunded.

Property taxes of Children's Hospital National Medical Center forgiven: Section 2 of D.C. Law 6-185 provided that all taxes, penalties, fees, and other charges assessed against the Children's National Medical Center, on real property located at 2220 11th Street, N.W., Washington, D.C., in Square 302, Lot 0073, for the period of July 1, 1984, to June 30, 1987, be forgiven and any payments already made be refunded.

Property taxes of National Child Research Center forgiven: Section 3 of D.C. Law 6-185 provided that all taxes, penalties, fees, and other charges assessed against the National Child Research Center on real property located at 3209 Highland Place, N.W., Washington, D.C., in Square 2072, Lot 855, for the period of July 1, 1984, to June 30, 1987, be forgiven and any payments already made be refunded.

Property taxes of St. Paul's Episcopal Church, Rock Creek Parish, forgiven: Section 2 of D.C. Law 7-69 provided that all taxes, interest, penalties, fees, and other related charges assessed against the St. Paul's Episcopal Church, Rock Creek Parish, on real property located at Webster Street and Rock Creek Church Road, N.W., Washington, D.C., in Parcel 1<sup>11</sup>/<sub>37</sub>, for the period March 1, 1987, to March 31, 1987, be forgiven, and that any payments already made as of February 18, 1988 be refunded.

Property taxes of Mount Olivet Cemetery forgiven: Section 2 of D.C. Law 7-70 provided that all taxes, interest, penalties, fees, and other related charges assessed against Mount Olivet Cemetery on real property located at 1500 Bladensburg Road, N.E., Washington, D.C., in Parcel 15<sup>3</sup>/<sub>21</sub>, Parcel 15<sup>3</sup>/<sub>42</sub>, and Parcel 15<sup>4</sup>/<sub>49</sub> and at 2121 Lincoln Road, N.E., Washington, D.C., in Lot 802 in Square 3538 East and Lot 802 in Square 3538, for the period March 1, 1987, to March 31, 1987, be forgiven, and that any payments already made as of February 18, 1988 be refunded.

Property taxes of Northminster Presbyterian Church forgiven: Section 2 of D.C. Law 7-71 provided that all taxes, interest, penalties, fees, and other related charges assessed against the Northminster Presbyterian Church, on real property located at 7720 Alaska Avenue, N.W., Washington, D.C., Lot 806, in Square 2958, for the period March 1, 1987, to March 31, 1987, be forgiven, and that any payments already made as of February 18, 1988 be refunded.

Property taxes of St. Martin's Catholic Church and Convent forgiven: Section 2 of D.C. Law 7-72 provided that all taxes, interest, penalties, fees, and other related charges assessed against the St. Martin's Catholic Church and Convent, on real property located at 1908 North Capitol Street, N.W., Washington, D.C., Lot 833, in Square 3531, for the period March 1, 1987, to March 31, 1987, be forgiven, and that any payments already made as of February 18, 1988 be refunded.

Property taxes of John S. Thomas Memorial Baptist Church forgiven: Section 2 of D.C. Law 7-73 provided that all taxes, interest, penalties, fees, and other related charges assessed against the John S. Thomas Memorial Baptist Church, on real property located at 1301 W Street, S.E., Washington, D.C., Lot 845, in Square 5792, for the period March 1, 1987, to March 31, 1987, be forgiven, and that any payments already made as of February 18, 1988 be refunded.

Property taxes of Metropolitan African Methodist Episcopal Church forgiven: Section 2 of D.C. Law 7-75 provided that all taxes, interests, penalties, fees, and other related charges assessed against the Metropolitan African Methodist Episcopal Church (also known as Bethel Church), on real property located at 1518 M Street, N.W., Washington, D.C., Lot 826, in Square 197, and real property located at 2257 Sudbury Road, N.W., Washington, D.C., Lot 36, in Square 2755, for the period March 1, 1987, to April 30, 1987, be forgiven, and that any payments already made as of February 18, 1988 be refunded.

Property taxes of St. Mary's Cemetery forgiven: Section 2 of D.C. Law 7-77 provided that all taxes, interest, penalties, fees, and other related charges assessed against St. Mary's Cemetery, on real property located at 2121 Lincoln Road, N.E., Washington, D.C., in Parcel 119/5 and Parcel 11<sup>1</sup>/<sub>5</sub>, for the period March 1, 1987, to March 31, 1987, be forgiven, and that any payments already made as of February 18, 1988 be refunded.

Property taxes of Mount Olive Baptist Church forgiven: Section 2 of D.C. Law 7-110 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against the Mount Olive Baptist Church, on real property located at 1138 Sixth Street, N.E., Washington, D.C., Lot 65 in

Square 829, for the period March 1, 1987, to March 31, 1987, be forgiven, and that any payments already made for this period as of May 21, 1988 be refunded.

Property taxes of St. Matthew's Baptist Church forgiven: Section 2 of D.C. Law 7-113 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against the St. Matthew's Baptist Church, on real property located at 1105 New Jersey Ave., S.E., Washington, D.C., Lot 73 in Square 743 North, for the period July 1, 1986, to June 30, 1988, be forgiven, and that any payments already made for this period as of May 21, 1988 be refunded.

Property taxes of Tenth Street Baptist Church forgiven: Section 2 of D.C. Law 7-114 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against the Tenth Street Baptist Church, on real property located at 1000 R Street, N.W., Washington, D.C., Lot 60 in Square 336, for the period March 1, 1987, to April 30, 1987, be forgiven, and that any payments already made for this period as of May 21, 1988 be refunded.

Property taxes of Temple Church of God in Christ forgiven: Section 2 of D.C. Law 7-115 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against the Temple Church of God in Christ, on real property located at 1437 Park Road, N.W., Washington, D.C., Lot 813 in Square 2676, for the period March 1, 1987, to April 30, 1987, be forgiven, and that any payments already made for this period as of May 21, 1988 be refunded.

Property taxes of Salvation Army forgiven: Section 2 of D.C. Law 7-116 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against the Salvation Army, on real property located at 503 E Street, N.W., Washington, D.C., Lot 24 in Square 488; 1318 9th Street, N.W., Washington, D.C., Lot 58 in Square 367; 526 1st Street, N.W., Washington, D.C., Lot 81 in Square 569; 1211 G Street, S.E., Washington, D.C., Lot 86 in Square 1020; and 788 Morton Street, N.W., Washington, D.C., Lot 112 in Square 2893, for the period March 1, 1987, to March 31, 1987, be forgiven, and that any payments already made for this period as of May 21, 1988 be refunded.

Property taxes of Georgetown Visitation Convent forgiven: Section 2 of D.C. Law 7-117 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against the Georgetown Visitation Convent, on real property located at 1500 35th Street, N.W., Washington, D.C., Lot 202 in Square 1292, for the period March 1, 1987, to March 31, 1987, be forgiven, and that any payments already made for this period as of May 21, 1988 be refunded.

Property taxes of Methodist Cemetery Association forgiven: Section 2 of D.C. Law 7-118 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against the Methodist Cemetery Association on real property located at Murdock Mill Road, N.W., Washington, D.C., Lot 803 in Square 1730, for the period March 1, 1987, to March 31, 1987, be forgiven, and that any payments already made for this period as of May 21, 1988 be refunded.

Property taxes of Phyllis Wheatley YWCA forgiven: Section 2 of D.C. Law 7-120 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against the Phyllis Wheatley YWCA, on real property located at 1719 Thirteenth Street, N.W., Washington, D.C., Lot 806 in Square 276; 911 Rhode Island Avenue, N.W., Washington, D.C., Lot 818 in Square 364; 901 Rhode Island Avenue, N.W., Washington, D.C., Lot 832 in Square 364; and 901 Rhode Island Avenue, N.W., Washington, D.C., Lot 816 Square 364; for the period March 1, 1987, to April 30, 1987, be forgiven, and that any payments already made for this period as of May 21, 1988 be refunded.

Property taxes of Calvary Methodist Episcopal Church forgiven: Section 2 of D.C. Law 7-122 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against the Calvary Methodist Episcopal Church, on real property located at 1615 Decatur Street, N.W., Washington, D.C., Lot 5 in Square 2654, and at 1459 Columbia Road, N.W., Washington, D.C., Lot 718 in Square 2672, for the period March 1, 1987, to March 31, 1987, be forgiven, and that any payments already made for this period as of May 21, 1988 be refunded.

Property taxes of Christ Church United Methodist Church forgiven: Section 2 of D.C. Law 7-124 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against Christ Church United Methodist Church, on real property located at Fourth & I Street, S.W., Washington, D.C., Lot 82 in Square 542 North, for the period March 1, 1987, to March 31, 1987, be forgiven, and that any payments already made for this period as of May 21, 1988 be refunded.

Property taxes of The National Museum of Women in the Arts forgiven: Section 2 of D.C. Law 7-158 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against The National Museum of Women in the Arts, on real property located at 1250 New York Avenue, N.W., Washington, D.C., Lot 808 in Square 287, for the period March 1, 1988, to March 31, 1988, be forgiven, and that any payments already made for this period as of September 29, 1988 be refunded.



Property taxes of Georgetown Day School forgiven: Section 2 of D.C. Law 7-159 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against the Georgetown Day School on real property located at 4530 MacArthur Boulevard, N.W., Washington, D.C., Lot 32 in Square 1356, Lot 821 in Square 1673, Lot 812 in Square 1672, and Lot 804 in Square 1672, for the period March 1, 1988, to March 31, 1988, be forgiven, and that any payments already made for this period as of September 29, 1988 be refunded.

Property taxes of Whitman-Walker Clinic, Inc., forgiven: Section 2 of D.C. Law 7-160 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against the Whitman-Walker Clinic, Inc., on real property located at 1407 S Street, N.W., Washington, D.C., Lot 0001 in Square 0206, for the period July 1, 1987, to June 30, 1988, be forgiven, and that any payments already made for this period as of September 29, 1988 be refunded.

Property taxes of Mount Vernon College forgiven: Section 2 of D.C. Law 7-165 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against Mount Vernon College, on real property located at 2100 Foxhall Road, N.W., Washington, D.C., Lot 2 in Square 1378, and Lot 850 in Square 1374, for the period March 1, 1987, to March 31, 1987, be forgiven, and that any payments already made for this period as of September 29, 1988 be refunded.

Property taxes of Planned Parenthood of Metropolitan Washington forgiven: Section 2 of D.C. Law 7-166 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against Planned Parenthood of Metropolitan Washington, on real property located at 1108 16th Street, N.W., Washington, D.C., Lot 830 in Square 183, for the period March 1, 1988, to March 31, 1988, be forgiven, and that any payments already made for this period as of September 29, 1988 be refunded.

Property taxes of Mt. Carmel Baptist Church forgiven: Section 2 of D.C. Law 7-167 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against Mt. Carmel Baptist Church, on real property located at 901 3rd Street, N.W., Washington, D.C., Lot 820 in Square 560, for the period March 1, 1988, to March 31, 1988, be forgiven, and that any payments already made for this period as of September 29, 1988 be refunded.

Property taxes of Christ Church Georgetown forgiven: Section 2 of D.C. Law 7-170 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against Christ Church, Georgetown, on real

property located at 3116 O Street, N.W., Washington, D.C., Lot 823 in Square 1243, Lot 845 in Square 1243, and Lot 846 in Square 1243, for the period March 1, 1988, to March 31, 1988, be forgiven, and that any payments already made for this period as of September 29, 1988 be refunded.

Property taxes of St. Stephen and the Incarnation Protestant Episcopal Church forgiven: Section 2 of D.C. Law 7-174 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against the St. Stephen and the Incarnation Protestant Episcopal Church, on real property located at 1525 Newton Street, N.W., Washington, D.C., Lot 804 in Square 2681, for the period March 1, 1987, to April 30, 1987, be forgiven, and that any payments already made for this period as of October 12, 1988 be refunded. Property taxes of Manna, Inc., forgiven: Section 6(1) of D.C. Law 7-205 provided that all deed recordation and transfer taxes, interest, penalties, fees, and other related charges assessed against Manna, Inc., on the construction loan deed of trust to the District of Columbia Department of Housing and Community Development dated September 15, 1987, involving real property located at 3541 and 3543 10th Street, N.W., Washington, D.C., Lot 51 and Lot 52 in Square 2831 be forgiven. Property taxes of 14 S Street Cooperative, Inc., forgiven: Section 6(3) of D.C. Law 7-205 provided that all deed recordation and transfer taxes, interest, penalties, fees, and other related charges assessed against 14 S Street Cooperative, Inc., on the construction loan deed of trust to the District of Columbia Department of Housing and Community Development dated April 1988, involving real property located at 14 S Street, N.E., Washington, D.C., Lot 803 in Square 3511 be forgiven. Property taxes of Champlain Court Cooperative, Inc., forgiven: Section 6(6) of D.C. Law 7-205 provided that all deed recordation and transfer taxes, interest, penalties, fees, and other related charges assessed against Champlain Court Cooperative, Inc., on the construction loan deed of trust to American Security Bank dated August 9, 1988, involving real property located at 2201 — 2207 Champlain Street, N.W., Washington, D.C., Lot 825 in Square 2562, to Champlain Court Cooperative, Inc. be forgiven. Property taxes of The 14 S Street Cooperative, Inc., forgiven: Section 6(9) of D.C. Law 7-205 provided that all deed recordation and transfer taxes, interest, penalties, fees, and other related charges assessed against The 14 S Street Cooperative, Inc., on the construction loan deed of trust to National Bank of Washington dated November 4, 1987, involving real property located at 14 S Street, N.E., Washington, D.C., Lot 803 in Square 3511 be forgiven. Property taxes of Chapin Ciara Cooperative forgiven: Section 6(10) of D.C. Law 7-205 pro-

vided that all deed recordation and transfer taxes, interest, penalties, fees, and other related charges assessed against Chapin Ciara Cooperative, on the construction loan deed of trust to Savings Associations Financial Enterprises dated October 28, 1987, involving real property located at 1447 Chapin Street, N.W., Washington, D.C., Lot 862 in Square 2662 be forgiven.

Section 6(11) of D.C. Law 7-205 provided that all deed recordation and transfer taxes, interest, penalties, fees, and other related charges assessed against Chapin Ciara Cooperative, on the construction loan deed of trust to the District of Columbia Department of Housing and Community Development dated October 28, 1987, involving real property located at 14 Chapin Street, N.W., Washington, D.C., Lot 862 in Square 2662 be forgiven.

Property taxes of The Pasadena Cooperative, Inc., forgiven: Section 6(12) of D.C. Law 7-205 provided that all deed recordation and transfer taxes, interest, penalties, fees, and other related charges assessed against The Pasadena Cooperative, Inc., on the construction loan deed of trust to Washington Area Community Investment Fund et al. dated August 3, 1988, involving real property located at 2633 Adams Mill Road, N.W., Washington, D.C., Lot 372 in Square 2583, to The Pasadena Cooperative, Inc. be forgiven.

Property taxes of Emory United Methodist Church forgiven: Section 2 of D.C. Law 7-211 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against Emory United Methodist Church, on real property located at 6100 Georgia Avenue, N.W., Washington, D.C., Lot 801, Lot 802, and Lot 808 in Square 2940, for the period March 1, 1988, to March 31, 1988, be forgiven, and that any payments already made for this period as of Mar. 16, 1989 be refunded.

Property taxes of Exodus Missionary Baptist Church forgiven: Section 2 of D.C. Law 7-212 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against Exodus Missionary Baptist Church, on real property located at 801 Rittenhouse Street, N.W., Washington, D.C., Lot 38 in Square 2979, for the period March 7, 1988, to March 31, 1988, be forgiven, and that any payments already made for this period as of Mar. 16, 1989 be refunded.

Property taxes of Coalition for the Homeless forgiven: Section 2 of D.C. Law 7-213 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against the Coalition for the Homeless, on real property located at 455 Florida Avenue, N.W., Washington, D.C., Lot 22 in Square 3094, and at 457 Florida Ave., N.W. Washington, D.C., Lot 53 in Square 3094, for the period July 1, 1986, to June 30, 1989, be forgiven, and that any

payments already made for this period as of Mar. 16, 1989 be refunded.

Property taxes of Nazareth Baptist Church forgiven: Section 2 of D.C. Law 8-27 provided that all real property taxes, interest, penalties, fees, and other related charges against Nazareth Baptist Church, on real property located at 3935 7th Street, N.W., Washington, D.C., Lot 40, in Square 3232, for the period of July 1, 1988, to June 30, 1990, be forgiven, and that any payment made for this period as of Sept. 20, 1989 be refunded.

Property taxes of Pilgrim Rest Baptist Church forgiven: Section 2 of D.C. Law 8-28 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against the Pilgrim Rest Baptist Church, on real property located at 4611 Sheriff Road, N.E., Washington, D.C., Lot 136, in Square 5151, for the period of July 1, 1987, to June 30, 1989, be forgiven, and that any payments already made for this period as of Sept. 20, 1989 be refunded.

Property taxes of Christ Church of Washington forgiven: Section 2 of D.C. Law 8-104 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against the Christ Church of Washington, on real property located at 3855 Massachusetts Avenue, N.W., Washington, D.C., Lot 824 in Square 1816, for the period March 1, 1989, to March 31, 1989, be forgiven, and that any payments already made for this period as of May 1, 1990 be refunded.

Property taxes of Church of the Living God forgiven: Section 2 of D.C. Law 8-105 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against the Church of the Living God, on real property located at 3427 — 14th Street, N.W., Washington, D.C., Lot 126 in Square 2836, for the period July 1, 1987, to June 30, 1990, be forgiven, and that any payments already made for this period as of May 1, 1990 be refunded.

Property taxes of Mt. Rona Missionary Baptist Church forgiven: Section 2 of D.C. Law 8-106 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against the Mt. Rona Missionary Baptist Church, on real property located at 3431 — 13th Street, N.W., Washington, D.C., Lot 821 in Square 2839, for the period March 1, 1989, to May 31, 1989, be forgiven, and that any payments already made for this period as of May 1, 1990 be refunded.

Property taxes of Buddhist Congregational Church of America forgiven: Section 2 of D.C. Law 8-108 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against the Buddhist Congregational Church of America, on real property located at 5401 — 16th Street, N.W., Washington, D.C., Lot 44 in Square 2718, for the period



March 1, 1989, to April 30, 1989, be forgiven, and that any payments already made for this period as of May 1, 1990 be refunded.

Property taxes of Hemingway Temple A.M.E. Church forgiven: Section 2 of D.C. Law 8-109 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against Hemingway Temple A.M.E. Church, on real property located at 501 P Street, N.W., Washington, D.C., Lots 819 and 820 in Square 478, for the period March 1, 1987, to March 31, 1987, be forgiven, and that any payments already made for this period as of May 1, 1990 be refunded.

Property taxes of Arts Club of Washington forgiven: Section 2 of D.C. Law 8-111 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against the Arts Club of Washington, on real property located at 2015 — 2017 Eye Street, N.W., Washington, D.C., Lot 846 in Square 78, for the period March 1, 1989, to March 31, 1989, be forgiven, and that any payments already made for this period as of May 1, 1990 be refunded.

Property taxes of Fifteenth Street Presbyterian Church forgiven: Section 2 of D.C. Law 8-112 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against the Fifteenth Street Presbyterian Church, on real property located at 1701 — 15th Street, N.W., Washington, D.C., Lot 822 in Square 207, and at 4503 — 17th Street, N.W., Washington, D.C., Lot 29 in Square 2651, for the period March 1, 1989, to March 31, 1989, be forgiven, and that any payments already made for this period as of May 1, 1990 be refunded.

Property taxes of The Phillips Collection forgiven: Section 2 of D.C. Law 8-113 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against The Phillips Collection, on real property located at 1600 — 21st Street, N.W., Washington, D.C., Lots 72 and 73 in Square 66, and 1621 — 21st Street, N.W., Washington, D.C., Lot 138 in Square 93, for the period March 1, 1988, to March 31, 1988, and on the same real property located at 1600 — 21st Street, N.W., Washington, D.C., Lot 74 in Square 66 (formerly Lots 72 and 73 in Square 66) and 1621 — 21st Street, N.W., Washington, D.C., Lot 138 in Square 93, for the period March 1, 1989, to March 31, 1989, be forgiven, and that any payments already made for these periods as of May 1, 1990 be refunded.

Property taxes of Spiritual Assembly of Baha'is of Washington, D.C., forgiven: Section 2 of D.C. Law 8-114 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against the Spiritual Assembly of Baha'is of Washington, D.C., on real property located at 5713 — 16th Street,

N.W., Washington, D.C., Lot 60 in Square 2722, for the period March 1, 1989, to May 31, 1989, be forgiven, and that any payments already made for this period as of May 1, 1990 be refunded.

Property taxes of National Council for Negro Women forgiven: Section 2 of D.C. Law 8-167 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against the National Council for Negro Women, on real property located at 1318 Vermont Avenue, N.W., Washington, D.C., Lot 55 in Square 242, for the period July 1, 1989, to June 30, 1990, be forgiven, and that any payments already made for this period as of September 26, 1990 be refunded.

Property taxes of Petworth Methodist Church forgiven: Section 2 of D.C. Law 8-210 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against Petworth Methodist Church, on real property located at 32 Grant Circle, N.W., Washington, D.C., Lot 804-part in Square 3226, for the period March 1, 1990, to March 31, 1990, be forgiven, and that any payments already made for this period as of March 6, 1991 be refunded.

Property taxes of Paramount Baptist Church forgiven: Section 2 of D.C. Law 8-211 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against Paramount Baptist Church on real property located at 3924 4th Street, S.E., Washington, D.C., Lot 68 in Square 6154, for the period March 1, 1990, to March 31, 1990, be forgiven, and that any payments already made for this period as of March 6, 1991 be refunded.

Property taxes of Jerusalem Baptist Church forgiven: Section 2 of D.C. Law 8-212 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against Jerusalem Baptist Church, on real property located at 2610 P Street, N.W., Washington, D.C., Lot 819 in Square 1262, and on real property located at 2604 P Street, N.W., Washington, D.C., Lot 823 in Square 1262, for the period March 1, 1990, to March 31, 1990, be forgiven, and that any payments already made for this period as of March 6, 1991 be refunded.

Property taxes of Episcopal Church Home forgiven: Section 2 of D.C. Law 8-213 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against Episcopal Church Home, on real property located at 32nd Street, N.W., Washington, D.C., Lot 17, Lot 18, Lot 62, Lot 821, Lot 19, Lot 20, and Lot 21 in Square 1270, on real property located at 3124 Q Street, N.W., Washington, D.C., Lot 64 in Square 1270, for the period March 1, 1990, to March 31, 1990, be forgiven, and that any payments already made for this period as of March 6, 1991 be refunded.

Property taxes of Mount Ephraim Baptist Church, Inc., forgiven: Section 2 of D.C. Law 8-214 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against the Mount Ephraim Baptist Church, Inc. on real property located at 5713 Dix Street, N.E., Washington, D.C., Lot 23 in Square 5253 and on real property located at Dix Street, N.E., Lot 44-part (formerly Lots 812, 813 and 816) in Square 5228, for the period March 1, 1990, to May 31, 1990, be forgiven, and that any payments already made for this period as of March 6, 1991 be refunded.

Property taxes of Takoma Park Baptist Church forgiven: Section 2 of D.C. Law 8-249 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against Takoma Park Baptist Church, on real property located at 635 Aspen Street, N.W., Washington, D.C., Lot 804-part in Square 3169 for the period March 1, 1990, to March 31, 1990, and on real property located at 612 Butternut Street, N.W., Washington, D.C., Lot 008 in Square 3169 for the period March 1, 1990, to March 31, 1990, be forgiven, and that any payments already made for this period as of March 8, 1991 be refunded.

Property taxes of American Chemical Society, Inc., forgiven: Section 2 of D.C. Law 8-250 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against American Chemical Society, Inc., on real property located at 1550 M Street, N.W., Washington, D.C., Lot 854-part in Square 197, for the period March 1, 1990, to March 31, 1990, be forgiven, and that any payments already made for this period as of March 8, 1991, be refunded.

Property taxes of Israel Metropolitan CME Church forgiven: Section 2 of D.C. Law 8-252 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against Israel Metropolitan CME Church, on real property located at 557 Randolph Street, N.W., Washington, D.C., Lot 103 in Square 3232 for the period March 1, 1990, to March 31, 1990, be forgiven, and that any payments already made for this period as of March 8, 1991, be refunded.

Property taxes of The New Macedonia Baptist Church forgiven: Section 2 of D.C. Law 8-253 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against The New Macedonia Baptist Church, on real property located at 4117 Alabama Avenue, S.E., Washington, D.C., Lot 817 in Square 5367 and on real property located at 4205 Barker Lane, S.E., Washington, D.C., Lot 29 in Square 5367, for the periods March 1, 1989, to March 31, 1989 and March 1, 1990, to March 31, 1990, be forgiven, and that any payments already made for this period as of March 8, 1991, be refunded.

Property taxes of Temple Sinai Fund, Inc., forgiven: Section 2 of D.C. Law 8-254 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against the Temple Sinai Fund, Inc., on real property located at 3100 Military Road, N.W., Washington, D.C., Lot 807 in Square 2289, for the period March 1, 1990, to March 31, 1990, be forgiven, and that any payments already made for this period as of March 8, 1991, be refunded.

Property taxes of The Star of Bethlehem Church of God In Christ forgiven: Section 2 of D.C. Law 8-255 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against The Star of Bethlehem Church of God In Christ, on real property located at 5331 Colorado Avenue, N.W., Washington, D.C., Lot 804 in Square 2716, for the period March 1, 1989, to March 31, 1989, and the period March 1, 1990, to March 31, 1990, be forgiven, and that any payments already made for this period as of March 8, 1991, be refunded.

Property taxes of Scripture Church of Christ forgiven: Section 2 of D.C. Law 8-256 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against Scripture Church of Christ, on real property located at 810 O Street, N.W., Washington, D.C., Lot 66 in Square 399, and on real property located at 1332 9th St., N.W., Lot 69 in Square 367, for the period March 1, 1990, to March 31, 1990, be forgiven, and that any payments already made for this period as of March 8, 1991, be refunded.

Property taxes of the Way of the Cross Church of Christ, Inc. forgiven: Section 2 of D.C. Law 9-58 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against the Way of the Cross Church of Christ, Inc., on real property located at 822D Street, N.E., Washington, D.C., Lot 31 in Square 915; 819 D Street, N.E., Washington, D.C., Lot 74 in Square 916; 332 9th Street, N.E., Washington, D.C., Lot 811 in Square 916; and 9th Street, N.E., Washington, D.C., Lot 818 in Square 916 for the period July 1, 1987, to June 30, 1991, be forgiven and any payments made during that period be refunded.

Property taxes of His Church forgiven: Section 2 of D.C. Law 7-76 provided that all taxes, interest, penalties, fees, and other related charges assessed against His Church, on real property located at 2000 Stanton Terrace, S.E., Washington, D.C., Lot 12, in Square 5851, for the period July 1, 1986, to June 30, 1988, be forgiven, and that any payments already made as of February 18, 1988 be refunded.

Property taxes of Thaddeus T. Jones and Donnie Mae Jones or 2023 4th Street Cooperative, Inc., forgiven: Section 6(2) of D.C. Law 7-205 provided that all deed recordation and



transfer taxes, interest, penalties, fees, and other related charges assessed against Thaddeus T. Jones and Donnie Mae Jones or 2023 4th Street Cooperative, Inc., on the deed to and transfer of real property located at 2023 4th Street, N.E., Washington, D.C., Lot 804 in Square 3616, to 2023 4th Street Cooperative, Inc. be forgiven.

Property taxes of James D. Wilner or Hilltop Cooperative Association, Inc., forgiven: Section 6(4) of D.C. Law 7-205 provided that all deed recordation and transfer taxes, interest, penalties, fees, and other related charges assessed against James D. Wilner or Hilltop Cooperative Association, Inc., on the deed to and transfer of real property located at 2422 and 2424 17th Street, N.W., Washington, D.C., Lot 816 and Lot 817 in square 2566, to Hilltop Cooperative Association, Inc. be forgiven. Property taxes of Thomas K. Nash or Champlain Court Cooperative, Inc., forgiven: Section 6(5) of D.C. Law 7-205 provided that all deed recordation and transfer taxes, interest, penalties, fees, and other related charges assessed against Thomas K. Nash or Champlain Court Cooperative, Inc., on the deed to and transfer of real property located at 2201-2207 Champlain Street, N.W., Washington, D.C., Lot 825 in Square 2562, to Champlain Court Cooperative, Inc. be forgiven. Property taxes of Howard Bernstein, Maxine Bernstein, Alan M. Bernstein, Craig J. Bernstein or The Pasadena Cooperative forgiven: Section 6(7) of D.C. Law 7-205 provided that all deed recordation and transfer taxes, interest, penalties, fees, and other related charges assessed against Howard Bernstein, Maxine Bernstein, Alan M. Bernstein, Craig J. Bernstein, or the Pasadena Cooperative, Inc., on the deed to and transfer of real property located at 2633 Adams Mill Road, N.W., Washington, D.C., Lot

372 in Square 2583, to The Pasadena Cooperative, Inc. be forgiven. Property taxes of Manna, Inc. or 14 S Street Cooperative, Inc., forgiven: Section 6(8) of D.C. Law 7-205 provided that all deed recordation and transfer taxes, interest, penalties, fees, and other related charges assessed against Manna, Inc. or 14 S Street Cooperative, Inc., on the deed to and transfer of real property located at 14 S Street, N.E., Washington, D.C., Lot 803 in Square 3511, to 14 S Street Cooperative, Inc. be forgiven. Property taxes of District of Columbia Jewish Community Center exempted: Section 2 of D.C. Law 8-191 provided that that portion of real property designated as Lot 818 in Square 194 in the District of Columbia shall be exempt from real property taxation from the date of acquisition of the real property by the District of Columbia Jewish Community Center ("DCJCC") as long as: (1) The real property is owned by the DCJCC or the DCJCC's successors or assigns; and, (2) The improvements to be constructed on the real property are used as a community center by DCJCC or the DCJCC's successors or assigns. Property taxes of House of Mercy forgiven: Section 2 of D.C. Law 8-251 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against the House of Mercy, on real property located at 2000 Rosemount Avenue, N.W., Washington, D.C., Lot 807 in Square 2618, for the period March 1, 1990, to March 31, 1990, be forgiven, and that any payments already made for this period as of March 8, 1991, be refunded. Tax Exemption Study and Recommendation Emergency Resolution of 1995: Pursuant to Resolution 11-19, effective February 7, 1995, the Council required, on an emergency basis, a mayoral study of all property, income, and sales tax exemptions in the District of Columbia.

## § 47-1002. Same — Exemptions.

Only the following real property shall be exempt from taxation in the District of Columbia:

(1) Property belonging to the United States, unless the taxation of same has been authorized by Congress;

(2) Property belonging to the District of Columbia and used for governmental purposes (as determined by the Mayor), unless otherwise provided by law;

(3) Property belonging to foreign governments and used for legation purposes;

(4) Repealed.

(5) Property heretofore specifically exempted from taxation by any special act of Congress, in force December 24, 1942, so long as such property is used for the purposes for which such exemption is granted. The Council of the District of Columbia shall report annually to the Congress the use being made

of such specifically exempted property, and of any changes in such use, with recommendations;

(6) Art gallery buildings belonging to and operated by organizations which are not organized or operated for private gain, and are open to the public generally, and for admission to which no charge is made on more than 2 days each week;

(7) Library buildings belonging to and operated by organizations which are not organized or operated for private gain and are open to the public generally;

(8) Buildings belonging to and operated by institutions which are not organized or operated for private gain, which are used for purposes of public charity principally in the District of Columbia;

(9) Hospital buildings, belonging to and operated by organizations which are not organized or operated for private gain, including buildings and structures reasonably necessary and usual to the operation of a hospital;

(10) Buildings belonging to and operated by schools, colleges, or universities which are not organized or operated for private gain, and which embrace the generally recognized relationship of teacher and student;

(11) Buildings belonging to and used in carrying on the purposes and activities of the National Geographic Society, American Pharmaceutical Association, the Medical Society of the District of Columbia, the National Lutheran Home, the National Academy of Sciences, Brookings Institution, the American Forestry Association, the American Tree Association, the Carnegie Institution of Washington, the American Chemical Society, the American Association to Promote the Teaching of Speech to the Deaf, and buildings belonging to such similar institutions as may be hereafter exempted from such taxation by special acts of Congress;

(12) Cemeteries dedicated to and used solely for burial purposes and not organized or operated for private gain, including buildings and structures reasonably necessary and usual to the operation of a cemetery;

(13) Churches, including buildings and structures reasonably necessary and usual in the performance of the activities of the church. A church building is one primarily and regularly used by its congregation for public religious worship;

(14) Buildings belonging to religious corporations or societies primarily and regularly used for religious worship, study, training, and missionary activities;

(15) Pastoral residences actually occupied as such by the pastor, rector, minister, or rabbi of a church; provided, that such pastoral residence be owned by the church or congregation for which said pastor, rector, minister, or rabbi officiates; and provided further, that not more than 1 such pastoral residence shall be so exempt for any 1 church or congregation;

(16) Episcopal residences owned by a church and used exclusively as the residence of a bishop of such church;

(17) Buildings belonging to organizations which are charged with the administration, coordination, or unification of activities, locally or otherwise, of institutions or organizations entitled to exemption under the provisions of



§§ 47-1002, 47-1005, and 47-1007 to 47-1010, and used as administrative headquarters thereof;

(18)(A) Grounds belonging to and reasonably required and actually used for the carrying on of the activities and purposes of any institution or organization entitled to exemption under the provisions of §§ 47-1002, 47-1005, and 47-1007 to 47-1010.

(B)(i) Additional grounds belonging to and forming a part of the property of such institutions or organizations as of July 1, 1942. Such exemption shall be granted only upon the filing of a written application to the Mayor of the District of Columbia, supported by an affidavit that such additional grounds are not held for profit or sale but only for the enlargement and expansion of said institution or organization.

(ii) If, however, at any future date the grounds so exempted, or any portion thereof, shall be sold and a profit shall result from such sale the taxes thereon for each year from the date of acquisition of such property for which no tax has been paid shall immediately become due and payable, without interest; provided, however, that the total of such taxes shall not exceed 50% of the net profit derived from such sale. The Mayor shall be furnished a copy of the contract of sale together with other evidence necessary to establish the amount of profit or loss therefrom at least 10 days prior to the date of settlement of such sale. Taxes assessed under this subparagraph shall constitute a lien upon such property;

(19) Buildings owned by and actually occupied and used for legitimate theater, music, or dance purposes by a corporation which is not organized or operated for commercial purposes or for private gain, which buildings are open to the public, generally, and for admission to which charges may be made to cover the cost of expenses and the real property (and any interest therein) situated on any portion of the lot that is designated, as of October 1, 2003, as lot 878 in square 456 and that is owned, occupied, and used, directly or indirectly through one or more wholly-owned subsidiary organizations, by a legitimate theater company is hereby exempt from all real property taxation so long as the property continues to be so owned and occupied, and used for the exempt purposes described in § 47-1002(18) and § 47-1002(19), providing for exemption of certain real properties;

(20)(A) Multifamily and single family rental and cooperative housing for, and individual condominium units rented to low and moderate income persons which are receiving assistance through 1 or more of the following federal programs: (i) interest reduction payments made under § 236 of the National Housing Act (§ 1715z-1 of Title 12, United States Code); (ii) payments made for new construction, substantial rehabilitation, or moderate rehabilitation under § 8 of the United States Housing Act of 1937 (§ 1437f of Title 42, United States Code); (iii) payments made under § 101 of the Housing and Urban Development Act of 1965 (§ 1701s of Title 12, United States Code); (iv) mortgage insurance under § 221 (d)(3), BMIR, of the National Housing Act (§ 1715l (d)(3) of Title 12, United States Code); (v) direct loans made under § 202 of the Housing Act of 1959 (§ 1701q of Title 12, United States Code); and (vi) rental rehabilitation funded under § 17 of the United States Housing Act

of 1937 (42 U.S.C. § 1437o) [repealed], if 80% or more of the units in the housing project are provided to low-income persons or families receiving assistance under 42 U.S.C. § 1437o; provided, however, that the owner(s) of such exempt property shall submit by March 1st of each year an annual income and expense statement to the District of Columbia Department of Finance and Revenue and shall make a yearly payment in lieu of taxes in an amount calculated in the following manner:

(I) If the owner(s) is not organized for profit, no payment shall be required; and

(II) If the owner(s) is organized as a limited dividend or limited profit owner, or a profit owner, a payment for such building, in an amount equal to 5% of the gross income derived from the operation of such building during the latest completed annual accounting period, shall be required.

(B) If the owner(s) of exempt property fail to make the payment in lieu of taxes in a manner which the Office of Tax and Revenue shall prescribe, the property shall be subject to the provisions of Chapter 13A, and the payment in lieu of taxes shall be deemed a delinquent real property tax from the day it was due and not paid for purposes of the real property sale.

(C) This paragraph (20) shall not apply to those properties granted an exemption before January 5, 1971, under paragraph (8) of this section.

(D) For purposes of this paragraph, the term:

(i) "Condominium" means the ownership of a single dwelling unit in a horizontal property regime as that term is used in § 42-2003; and

(ii) "Individual condominium units" means a portion of the condominium designed and intended for individual ownership together with the undivided interest in the common elements to which they appertain.

As the exemption provided for in subparagraph (A)(vi) of this paragraph applies to the Southern Court project located at 845, 855, 865, 875, and 885 Chesapeake Street, S.E., and 860, 870, 880, and 890 Southern Avenue, S.E., on lot 39 in Square 6210 in the District of Columbia, it shall be effective for the tax year beginning July 1, 1986;

(21) Property transferred to a qualifying lower income homeownership household in accordance with § 47-3503(c);

(22) Property transferred to a qualifying nonprofit housing organization in accordance with § 47-3505(d);

(23)(A) Subject to the provisions of subparagraph (B) of this paragraph, the development of a qualified supermarket, as defined in § 47-3801.

(B) The real property tax exemption granted by subparagraph (A) of this paragraph shall apply only:

(i) For 10 consecutive real property tax years beginning with the tax year in which a certificate of occupancy was issued for the development;

(ii) During the time that the real property is used as a supermarket;

(iii) In the case of the development of a qualified supermarket, on real property not owned by the supermarket, if the owner of the real property leases the land or structure to the supermarket at a fair market rent reduced by the amount of the real property tax exemption; and

(iv) During the time that the supermarket is in compliance with the requirements of subchapter X of Chapter 2 of Title 2;



(24) Property transferred to a resident management corporation in accordance with § 47-3506.01;

(25) The improvements located on that portion of Lot 800 of Square 1112 known as the Correctional Treatment Facility, only during the time that the improvements are operated as a correctional facility housing inmates in the custody of the District of Columbia Department of Corrections;

(26)(A) The real property (and any improvements thereon) described as Square 454, Lots 41, 824, 838, 857, 877, 878; the portion of the public alley that reverted to (i) former Lot 820, (which is currently known as Lot 866), and (ii) former Lot 821 (which is currently known as Lot 867) pursuant to the Plat of Alley Closing filed with the Surveyor of the District of Columbia in Liber 17 at folio 74; the portions of the public alley that will revert to Lots 41, 824, 838, 857, 877 and 878, all in Square 454, pursuant to the alley closing approved by the Closing of Public Alleys in Square 454 and Square 455, S.O. 98-194 Act of 1999, effective October 22, 1999 (D.C. Law 13-48; 46 DCR 6768), during the period commencing November 8, 2000 and terminating with respect to any portion of such real property on the date that a final certificate of occupancy shall have been issued with respect to improvements on such portion of such real property.

(B) The amount of all taxes, fees, and deposits exempt, abated, or waived under this paragraph, section 2(b) of the Gallery Place Economic Development Amendment Act of 2000, effective April 3, 2001 (D.C. Law 13-241; 48 DCR 610) [D.C. Code § 2-1217.31(b)], and §§ 47-902(17), 45-922(24) [§ 42-1102(24)], and 47-2005(28) [§ 47-2005(30)], shall not exceed, in the aggregate, \$7 million;

(27)(A) The real property (and any improvements thereon) described as Square 299, Lot 831, during the period commencing October 1, 2001 and terminating, with respect to any portion of the real property, on the date that a final certificate of occupancy shall have been issued with respect to improvements on the portion of the real property, until the Development Sponsor sells the Mandarin Oriental Hotel Project, as evidenced by the recordation of a deed conveying title to Square 299, Lot 831, at which time such amounts shall be due and payable without penalty or interest.

(B) The amount of all taxes, fees, and deposits deferred under this paragraph, section 2(b) of the Mandarin Oriental Hotel Tax Deferral Act of 2002, passed on 2nd reading on September 17, 2002 (Enrolled version of Bill 14-466) [D.C. Law 14-232], and §§ 42-1102(25), 47-902(19), and 47-2005(33) [§ 47-2005(34)], shall not exceed, in the aggregate, \$4 million.

(C) For purposes of this paragraph, the term:

(i) "Development Sponsor" means Portals Hotel Site, LLC, a Delaware limited liability company, and its successors and assigns.

(ii) "Mandarin Oriental Hotel Project" means the acquisition and initial development, construction, equipping, and furnishing of a Mandarin Oriental hotel within the Portals project, located on Square 299, Lot 831, consisting of a 400-room hotel with approximately 33,000 square feet of associated meeting and banquet space, 2 restaurants, a health spa and fitness center totaling approximately 10,000 square feet, and approximately 90,000 square feet of public parking space for approximately 200 cars.

(iii) “Mandarin TIF Bonds” means the tax increment financing bonds issued in connection with the Mandarin Oriental Hotel Project pursuant to the Tax Increment Revenue Bonds Mandarin Hotel Project Emergency Approval Resolution of 2000, effective March 7, 2000 (Res. 13-510; 47 DCR 2133), and the Mandarin Hotel Project Modification Approval Resolution of 2000, effective December 19, 2000 (Res. 13-745; 48 DCR 83).

(D) This paragraph shall apply upon the closing of the sale of the Mandarin TIF Bonds;

(28)(A) Land and improvements that are located in the Housing Overlay District established pursuant to section 1706 of Title 11 of the District of Columbia Municipal Regulations (11 DCMR § 1706), the Arts Overlay District established pursuant to section 1704 of Title 11 of the District of Columbia Municipal Regulations (11 DCMR § 1704), and the Historic Preservation District established pursuant to section 1707 of Title 11 of the District of Columbia Municipal Regulations (11 DCMR § 1707), and not otherwise exempt pursuant to this section, for the period specified in subparagraph (C) of this paragraph; provided, that the land and improvements satisfy at least one of the requirements set forth in subparagraph (B) of this paragraph.

(B) The exemption granted by this paragraph shall only apply to:

(i) Land and improvements as to which a theater company of the type described in paragraph (19) of this section is or was, as of the effective date of the Square 456 Payment in Lieu of Taxes Extension Emergency Act of 2002, passed on an emergency basis on June 18, 2002 (Enrolled version of Bill 14-701) [July 10, 2002], the contract purchaser or owner; or

(ii) Improvements developed pursuant to a vertical subdivision, horizontal property regime, condominium regime, or common building permit, or pursuant to a combined lot development method or sharing a common primary ingress or egress on a single or one or more adjoining lots of record concurrent with the development of a theater company described in paragraph (19) of this section or any wholly-owned subsidiary of the theater company, with a floor area of not less than 18,000, and not more than 100,000 square feet, to be used for theater and ancillary purposes by a theater company of the type described in paragraph (19) of this section.

(C) The exemption granted by this paragraph shall only apply if, to the extent that the property is not otherwise exempt, the property owner is obligated under § 47-1052 or any other law to make payments in lieu of taxes in furtherance of the public interest to promote the economic development of the District of Columbia and the improvement of the general public welfare and for the benefit of the District of Columbia and its residents.

(D) This paragraph shall expire on the day after the date on which the District and Qualified Theater Company have entered into a grant agreement for the making of the grant identified in § 47-1052(a)(7)(B), and the funding of that grant;

(29) Except as provided in the PILOT Agreement, property, including land, any improvements thereon, and any possessory interests therein, for which payments in lieu of taxes are being made under a PILOT agreement pursuant to part E of subchapter IV of Chapter 3 of Title 1 [§ 1-308.01 et seq.], during the term of the PILOT agreement; and



(30)(A) Land (other than Lots 0074 and 0075, Square 737, and Lot 0021, Square 769, but excluding any portion of the land known as Reservation 17A which becomes part of Square 737, and land consisting of streets or alleys located within the Capper/Carrollsborg PILOT Area established pursuant to § 47-4611 upon abandonment thereof and reversion to Square 737 or 769 or lot included in Square 737 or 769) in the Capper/Carrollsborg PILOT Area and not otherwise exempt under this section and all improvements that are located in the Capper/Carrollsborg PILOT Area and not otherwise exempt under this section, for the period specified in subparagraph (B) of this paragraph. Notwithstanding the foregoing, the improvements on Lots 0074 and 0075, Square 737, and Lot 0021, Square 769 (excluding any portion of the land known as Reservation 17A which becomes part of Square 737 and land consisting of streets or alleys located within the Capper/Carrollsborg PILOT Area established pursuant to § 47-4611 upon abandonment thereof and reversion of Square 737 or 769 or lot included in Square 737 or 769) shall not be exempt from the special tax provided in § 1-204.81.

(B) This paragraph shall expire the day after the bonds, notes, or other obligations issued by the District of Columbia pursuant to the PILOT Authorization Increase and Arthur Capper/Carrollsborg Public Improvements Revenue Bonds Approval Act of 2006, effective March 8, 2007 (D.C. Law 16-244; 54 DCR 609), together with interest and premium, if any, thereon, and all costs and expenses in connection with any suit, action, or proceeding by or on behalf of the holders of the District's bonds, notes or other obligations are fully met and discharged.

(Dec. 24, 1942, 56 Stat. 1089, ch. 826, § 1; Apr. 9, 1943, 57 Stat. 61, ch. 41, § 1; Jan. 5, 1971, 84 Stat. 1932, Pub. L. 91-650, title II, § 202; Sept. 3, 1974, 88 Stat. 1060, Pub. L. 93-407, title IV, § 441; Jan. 3, 1975, 88 Stat. 2177, Pub. L. 93-635, § 8(a); Oct. 4, 1978, D.C. Law 2-116, § 2, 25 DCR 1735; Mar. 9, 1983, D.C. Law 4-165, § 4, 29 DCR 4624; Oct. 8, 1983, D.C. Law 5-31, § 10(c), 30 DCR 3879; Feb. 24, 1987, D.C. Law 6-193, § 2, 34 DCR 22; Sept. 29, 1988, D.C. Law 7-173, § 5, 35 DCR 5758; June 11, 1992, D.C. Law 9-120, § 4(c), 39 DCR 3195; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 3, 1997, D.C. Law 11-276, § 7(b), 44 DCR 1416; October 4, 2000, D.C. Law 13-166, § 3(a), 47 DCR 5821; Apr. 3, 2001, D.C. Law 13-241, § 4(b), 48 DCR 610; Oct. 19, 2002, D.C. Law 14-213, § 33(l), 49 DCR 8140; Mar. 25, 2003, D.C. Law 14-232, § 4(b), 49 DCR 9764; Mar. 25, 2003, D.C. Law 14-234, § 2(b), 49 DCR 9775; Apr. 4, 2003, D.C. Law 14-282, § 11(t), 50 DCR 896; Mar. 13, 2004, D.C. Law 15-105, § 38(b)(2), 51 DCR 881; Apr. 5, 2005, D.C. Law 15-293, § 13(b), 52 DCR 1465; Apr. 12, 2005, D.C. Law 15-333, § 2(a), 52 DCR 2010; Mar. 2, 2007, D.C. Law 16-191, § 74, 53 DCR 6794; Mar. 20, 2008, D.C. Law 17-118, § 202(b), 55 DCR 1461.)

**Cross references.** — Cooperative associations, election of directors, federally funded multi-family cooperative housing, see § 29-918.

Cooperative associations, restrictions on administrative funding, federally funded multi-family cooperative housing, see § 29-938.

Lower income homeownership tax abate-

ment, real property tax exemption, qualifying nonprofit housing organizations, see § 47-3505.

Lower income homeownership tax abatement, real property tax exemption, qualifying resident management corporations, see § 47-3506.01.

Lower income homeownership tax abatement, real property tax exemptions, qualifying households, see § 47-3503.

Real property transfer tax, exemptions, see § 47-9102.

Rental and utilization of public space, airspace, exemptions from real property taxation, see § 10-1121.07.

Roadway, alley, and sidewalk improvements, deposits by and assessments upon adjoining landowners, see § 9-401.18.

Supermarket developments, license fee exemption, see § 47-2827.

**Prior Codifications.** — 1981 Ed., § 47-1002.

1973 Ed., § 47-801a.

**Effect of amendments.** — D.C. Law 13-166 rewrote subsec. (23), which previously read:

“(A) Subject to the provisions of subparagraph (B) of this paragraph, a supermarket development, as that term is defined in § 47-3801, in an underserved area of the District approved pursuant to § 47-3802;

“(B) The real property tax exemption granted by subparagraph (A) of this paragraph shall apply:

“(i) Only for the first 5 real property tax years beginning after the date of issuance of the final certificate of occupancy for the supermarket;

“(ii) Only during the time that the real property is used as a supermarket;

“(iii) In the case of a supermarket development on real property not owned by the supermarket, only if the owner of the real property leases the land or structure to the supermarket at a rent reduced from the fair market rent by an amount equal to the amount of the real property tax exemption;

“(iv) Only during the time that the supermarket development is in compliance with the requirements of § 1-1161 et seq.;

“(v) In the case of a supermarket development that is a new supermarket, only if at the time construction of the new supermarket commenced no other supermarket, as that term is defined in § 47-3801(2) existed within a 1 mile radius of the new supermarket; and”.

D.C. Law 13-241 added par. (26).

D.C. Law 14-213, in par. 26(B), validated a previously made technical correction.

D.C. Law 14-232 substituted a semicolon for “; and” at the end of par. (25); substituted “; and” for a period at the end of par. (26); and added par. (27).

D.C. Law 14-234 substituted a semicolon for “; and” at the end of par. (26); substituted “;

and” for a period at the end of par. (27); and added par. (28).

D.C. Law 14-282 rewrote pars. (1) and (2); repealed par. (4); and in par. (20)(B), substituted “Office of Tax and Revenue shall prescribe, the property shall be subject to the provisions of Chapter 13A, and the payment in lieu of taxes shall be deemed a delinquent real property tax from the day it was due and not paid for purposes of the real property tax sale.” for “Department of Revenue shall prescribe, such property shall be subject to the provisions of § 47-1301 et seq.”

D.C. Law 15-105, in par. (26)(B), validated a previously made technical correction.

D.C. Law 15-293, in par. (27), substituted a semi-colon for “; and”; in par. (29), substituted “; and” for a period; and added par. (29).

D.C. Law 15-333 in par. (19), inserted “and the real property (and any interest therein) situated on any portion of the lot that is designated, as of October 1, 2003, as lot 878 in square 456 and that is owned, occupied, and used, directly or indirectly through one or more wholly-owned subsidiary organizations, by a legitimate theater company is hereby exempt from all real property taxation so long as the property continues to be so owned and occupied, and used for the exempt purposes described in § 47-1002(18) and § 47-1002(19), providing for exemption of certain real properties;”; and, in par. (28)(B)(ii), substituted “a theater company described in paragraph (19) of this section or any wholly-owned subsidiary of the theater company” for “a theater company described in paragraph (19) of this section”.

D.C. Law 16-191, in par. (28)(B)(ii), validated a previously made technical correction.

D.C. Law 17-118, in par. (28), deleted “and” from the end; in par. (29), substituted “; and” for a period at the end; and added par. (30).

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2 of Temporary Real Property Tax Exemption for the Phillips Collection Temporary Act of 1999 (D.C. Law 13-62, February 3, 2000, law notification 46 DCR ).

For temporary (225 day) amendment of section, see § 4(b) of Mandarin Oriental Hotel Project Tax Deferral Temporary Act of 2002 (D.C. Law 14-143, May 21, 2002, law notification 49 DCR 5060).

For temporary (225 day) repeal of section, see § 12(v) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 2(b) of Square 456 Payment in Lieu of Taxes Temporary Act of 2002 (D.C. Law 14-201, October 17, 2002, law notification 49 DCR 10019).

For temporary (225 day) repeal of section, see § 12(v) of Tax Clarity and Related Amend-



ments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

For temporary (225 day) amendment of section, see § 2(a) of Lot 878, Square 456 Tax Exemption Clarification Temporary Amendment Act of 2004 (D.C. Law 15-181, September 8, 2004, law notification 51 DCR 9223).

Section 3(b) of D.C. Law 17-76 added par. (30) to read as follows:

“(30) The land and improvements located in Lots 3 and 4, Square 5919. This exemption shall commence on the date Specialty Hospitals of America, LLC, or certain of its subsidiary entities, takes title to Lots 3 and 4, Square 5919, and shall terminate upon one of the following dates, whichever occurs first:

“(A) The date the Mayor certifies to the District of Columbia Treasurer that Specialty Hospitals of America, LLC, or certain of its subsidiaries, or any party that subsequently acquires by purchase, lease, or exchange Lots 3 and 4, Square 5919, or any part thereof, failed to comply with the terms of an agreement between Specialty Hospitals of America, LLC, or certain of its subsidiaries, with Greater Southeast Investment, L.P., to pay an amount equal to the real property taxes that the owner of Lots 3 and 4, Square 5919 would be obligated to pay on Lots 3 and 4, Square 5919, or any part thereof, in the absence of the exemption provided by this paragraph; or

“(B) The date that the Mayor certifies to the District of Columbia Treasurer that the Acquisition Loan in the maximum principal amount of \$29 million by Greater Southeast Investment, L.P., to Capitol Medical Center, LLC, and CMC Realty, LLC, has been paid in full.”

Section 8(b) of D.C. Law 17-76 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary amendment of section, see § 7(b) of the Correctional Treatment Facility Emergency Act of 1996 (D.C. Act 11-457, December 13, 1996, 44 DCR 156), and § 7(b) of the Correctional Treatment Facility Congressional Review Emergency Act of 1997 (D.C. Act 12-32, March 11, 1997, 44 DCR 1908).

For temporary (90-day) amendment of section, see § 2 of the Temporary Real Property Tax Exemption for the Phillips Collection Emergency Act of 1999 (D.C. Act 13-131, August 4, 1999, 46 DCR 6766).

For temporary (90-day) amendment of section, see § 2 of the Temporary Real Property Tax Exemption for the Phillips Collection Congressional Review Emergency Act of 1999 (D.C. Act 13-173, November 2, 1999, 46 DCR 9232).

For temporary (90 day) amendment of section, see § 4(b) of the Gallery Place Economic Development Emergency Amendment Act of 2000 (D.C. Act 13-500, January 5, 2001, 48 DCR 562).

For temporary (90 day) amendment of section, see § 4(b) of Mandarin Oriental Hotel Project Tax Deferral Emergency Act of 2001 (D.C. Act 14-227, January 8, 2002, 49 DCR 682).

For temporary (90 day) amendment of section, see § 4(b) of Mandarin Oriental Hotel Project Tax Deferral Second Congressional Review Emergency Act of 2002 (D.C. Act 14-563, December 23, 2002, 50 DCR 278).

For temporary (90 day) amendment of section, see §§ 4(b) and 5 of Mandarin Oriental Hotel Project Tax Deferral Congressional Review Emergency Act of 2002 (D.C. Act 14-345, April 24, 2002, 49 DCR 4300).

For temporary (90 day) amendment of section, see § 12(v) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see §§ 2(b) and 3 of Square 456 Payment in lieu of Taxes Extension Emergency Act of 2002 (D.C. Act 14-405, July 10, 2002, 49 DCR 7100).

For temporary (90 day) amendment of section, see § 12(v) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(v) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

For temporary (90 day) amendment of section, see § 2(a) of Lot 878, Square 456 Tax Exemption Clarification Emergency Act of 2004 (D.C. Act 15-423, May 10, 2004, 51 DCR 5182).

For temporary (90 day) amendment of section, see § 2(a) of Lot 878, Square 456 Tax Exemption Clarification Congressional Review Emergency Act of 2004 (D.C. Act 15-467, July 19, 2004, 51 DCR 7584).

For temporary (90 day) amendment of section, see § 4(b) of East of the River Hospital Revitalization Emergency Amendment Act of 2007 (D.C. Act 17-168, October 19, 2007, 54 DCR 10978).

For temporary (90 day) amendment of section, see § 3(b) of East of the River Hospital Revitalization Tax Exemption Emergency Amendment Act of 2007 (D.C. Act 17-174, November 2, 2007, 54 DCR 11216).

For temporary (90 day) amendment of section, see § 202(b) of Arthur Capper/Carrollsborg Public Improvement Revenue Bonds Technical Correction Emergency Act of 2008 (D.C. Act 17-318, March 19, 2008, 55 DCR 3418).

**Legislative history of Law 2-116.** — Law 2-116, the “Direct Payment in Lieu of Tax Act of 1978,” was introduced in Council and assigned Bill No. 2-285, which was referred to the Committee on Housing and Urban Development

and to the Committee on Finance and Revenue for comments. The Bill was adopted on first, amended first, and second readings on June 13, 1978, June 27, 1978 and July 11, 1978, respectively. Signed by the Mayor on July 26, 1978, it was assigned Act No. 2-243 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 4-165.** — Law 4-165, the “Real Property Tax Rates for Tax Year 1983 Act of 1982,” was introduced in Council and assigned Bill No. 4-496, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on July 27, 1982 and September 21, 1982, respectively. Signed by the Mayor on October 12, 1982, it was assigned Act No. 4-241 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 5-31.** — Law 5-31, the “Lower Income Homeownership Tax Abatement and Incentives Act of 1983,” was introduced in Council and assigned Bill No. 5-167, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 28, 1983 and July 12, 1983, respectively. Signed by the Mayor on July 21, 1983, it was assigned Act No. 5-53 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 6-193.** — Law 6-193, the “Low and Moderate-Income Housing Real Property Tax Exemption Amendment Act of 1986,” was introduced in Council and assigned Bill No. 6-43, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 25, 1986 and December 16, 1986, respectively. Signed by the Mayor on December 19, 1986, it was assigned Act No. 6-251 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 7-173.** — Law 7-173, the “Supermarket Tax Incentive Amendment Act of 1988,” was introduced in Council and assigned Bill No. 7-124, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 28, 1988 and July 12, 1988, respectively. Signed by the Mayor on July 15, 1988, it was assigned Act No. 7-229 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 9-120.** — Law 9-120, the “Public Housing Homeownership Tax Abatement Amendment Act of 1992,” was introduced in Council and assigned Bill No. 9-356, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on March 3, 1992, and April 7, 1992, respectively. Signed by the Mayor on April 24, 1992, it was assigned Act No. 9-194 and transmitted to both Houses of Congress for its review. D.C. Law 9-120 became effective on June 11, 1992.

**Legislative history of Law 11-276.** — Law 11-276 the “Correction Treatment Facility Act of 1996,” was introduced in Council and assigned Bill No. 11-908, which was referred to the Committee on the Judiciary and the Committee on the Whole. The Bill was adopted on first and second readings on December 3, 1996, and December 17, 1996, respectively. Signed by the Mayor on December 24, 1996, it was assigned Act No. 11-523 and transmitted to both Houses of Congress for its review. D.C. Law 11-276 is projected to become law on June 3, 1997.

**Legislative history of Law 13-166.** — Law 13-166, the “Supermarket Tax Exemption Act of 2000,” was introduced in Council and assigned Bill No. 13-88, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on May 3, 2000, and June 6, 2000, respectively. Signed by the Mayor on June 26, 2000, it was assigned Act No. 13-365 and transmitted to both Houses of Congress for its review. D.C. Law 13-166 became effective on October 4, 2000.

**Legislative history of Law 13-241.** — For Law 13-241, see notes under § 47-902.

**Legislative history of Law 14-213.** — For Law 14-213, see notes following § 47-820.

**Legislative history of Law 14-232.** — For Law 14-232, see notes following § 47-902.

**Legislative history of Law 14-234.** — Law 14-234, the “Square 456 Payment in Lieu of Taxes Amendment Act of 2002,” was introduced in Council and assigned Bill No. 14-703, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on July 2, 2002, and October 1, 2002, respectively. Signed by the Mayor on October 23, 2002, it was assigned Act No. 14-492 and transmitted to both Houses of Congress for its review. D.C. Law 14-234 became effective on March 25, 2003.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-902.

**Legislative history of Law 15-105.** — For Law 15-105, see notes following § 47-902.

**Legislative history of Law 15-293.** — For Law 15-293, see notes following § 42-902.

**Legislative history of Law 15-333.** — Law 15-333, the “Lot 878 Square 456 Tax Exemption Clarification Act of 2004,” was introduced in Council and assigned Bill No. 15-781 which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on December 7, 2004, and December 21, 2004, respectively. Signed by the Mayor on January 19, 2005, it was assigned Act No. 15-746 and transmitted to both Houses of Congress for its review. D.C. Law 15-333 became effective on April 12, 2005.

**Legislative history of Law 16-191.** — For Law 16-191, see notes following § 47-138.01a.



**Legislative history of Law 17-118.** — For Law 17-118, see notes following § 47-902.

**Effective date.** — Section 5 of Law 14-232 provided that this act shall take effect subject to the inclusion of its fiscal effect in an approved budget and financial plan.

Section 3 of Law 14-234 provided that this act shall take effect subject to the inclusion of its fiscal effect in an approved budget and financial plan.

**References in text.** — Section 2(b) of the Mandarin Oriental Hotel Tax Deferral Act of 2002, passed on 2nd reading on September 17, 2002 (Enrolled version of Bill 14-466), referred to in par. (27)(B), is D.C. Law 14-232, § 2(b), set out as a note under § 42-1102.

The effective date of the Square 456 Payment in Lieu of Taxes Extension Emergency Act of 2002, passed on an emergency basis on June 18, 2002 (Enrolled version of Bill 14-701), referred to in par. (28)(B)(i), was July 10, 2002.

Pursuant to the Office of the Chief Financial Officer's "Notice of Public Interest" published in the April 18, 1997, issue of the District of Columbia Register (44 DCR 2345) the Office of Tax and Revenue assumed all of the duties and functions previously performed by the Department of Finance and Revenue, as set forth in Commissioner's Order 69-96, dated March 7, 1969. This action was made effective January 22, 1997, *nunc pro tunc*.

**Editor's notes.** — Property taxes of New Bethel Baptist Church forgiven: Section 2 of D.C. Law 4-207 provided that all taxes, penalties, fees, or other charges assessed against the New Bethel Baptist Church on real property located at 1739 9th Street, N.W., Washington, D.C. in Square 395, lot 54, for the period of July 1, 1979, to June 30, 1982, be forgiven.

Property taxes of Metropolitan Community Church forgiven: Section 2 of D.C. Law 6-138 provided that all taxes, penalties, fees or other charges assessed against the Metropolitan Community Church of Washington on real property located at 415 M Street, N.W., Washington, D.C., in Square 513, Lot 800, for the period of July 1, 1984, to June 30, 1986, be forgiven.

Property taxes of Full Gospel Tabernacle Church forgiven: Section 2 of D.C. Law 7-194 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against the Full Gospel Tabernacle Church, on real property located at 632 11th Street, N.E., Washington, D.C., Lot 803 in Square 960, Lot 804 in Square 960, and Lot 805 in Square 960, for the period July 1, 1986, to June 30, 1989, be forgiven, and that any payments already made for this period as of the effective date of this act be refunded.

Property taxes of Young's Memorial Church of Christ Holiness forgiven: Section 2 of D.C. Law 7-195 provided that all real property taxes,

interest, penalties, fees, and other related charges assessed against Young's Memorial Church of Christ Holiness, on real property located at 2490 Alabama Avenue, S.E., Washington, D.C., Lot 864 in Square 5741, for the period March 1, 1988, to April 30, 1988, be forgiven, and that any payments already made for this period as of the effective date of this act be refunded.

Property taxes of Association for Community Based Education forgiven: Section 2 of D.C. Law 7-197 provided that all real property taxes, interest, penalties, fees, and other related charges assessed against the Association for Community Based Education, on real property located at 1806 Vernon Street, N.W., Washington, D.C., Lot 18 in Square 2556, for the period March 1, 1988, to March 30, 1988, be forgiven, and that any payments already made for this period as of the effective date of this act be refunded.

Exemptions from cost of improving roadways, alleys, and sidewalks: Section 3 of D.C. Law 10-186 provided that within 6 months of September 24, 1994, the Mayor shall submit to the Council a 5-year plan for the improvement of all unimproved streets, avenues, roads, and alleys and the construction of curbs, gutters, sewers, and sidewalks thereon in the District.

Mayor authorized to issue rules: Section 5 of D.C. Law 9-120 provided that the Mayor may issue rules to implement the provisions of the act.

Tax exemption for real and personal property of the Sports Commission: Section 15(a) of D.C. Law 10-152 declared the real and personal property of the Sports Commission to be public properties exempt from taxes and special assessments now or hereafter imposed by the District.

Section 15(b) of D.C. Law 10-152 provided that bonds issued by the Sports commission, their transfer, and the interest thereon, are exempt from all District taxation except estate, inheritance, and gift taxes.

Property taxes of Commonwealth of Northern Mariana Islands in the capital of the United States forgiven: Section 208 of Pub. L. 101-219 provided that real property owned by the Commonwealth of the Northern Mariana Islands in the capital of the United States and used by the Resident Representative thereof in the discharge of his representative duties under the Covenant shall be exempt from assessment and taxation.

Exemptions from cost of improving roadways, alleys, and sidewalks: Section 2 of D.C. Law 10-186 provided for an exemption of low assessment home owners, entities exempt from the real property tax, and all real property owners (when the Mayor determines that the health and safety of the public is at risk) from the requirement of depositing funds, or paying

any of the cost for the improvement of streets, avenues, roads, or alleys abutting their property or the construction of curbs, gutters, sewers, and sidewalks on the streets, avenues, roads, or alleys. Law 10-186 also required the Mayor to submit to the Council a 5-year plan for the improvement of all unimproved streets, avenues, roads, and alleys and the construction of curbs, gutters, sewers, and sidewalks thereon in the District. Section 2 of D.C. Law 10-186 was codified as § 9-401.18.

Section 2 of D.C. Law 13-241, as amended by section 40 of D.C. Law 14-213, provided:

"Tax and fee abatements Gallery Place Project .

"(a) For the purposes of this section, the term:

"(1) 'Development Sponsor' means Gallery Place Holdings LLC, a Delaware limited liability company, and its successors and assigns.

"(2) 'Gallery Place Project' means the acquisition, construction, installing, and equipping of a mixed-use complex located on Square 454, Lots 41, 824, 838, 857, 877, 878; the portion of the public alley that reverted to former Lot 820 (which is currently known as Lot 866), and former Lot 821 (which is currently known as Lot 867) pursuant to the Plat of Alley Closing filed with the Surveyor of the District of Columbia in Liber 17 at folio 74; and the portions of the public alley that will revert to Lots 41, 824, 838, 857, 877 and 878, all in Square 454, pursuant to the alley closing approved by the Closing of Public Alleys in Square 454 and Square 455, S.O. 98-194, Act of 1999, effective October 22, 1999 (D.C. Law 13-48; 46 DCR 6768), and consisting of:

"(A) An approximately 60,000-square-foot multiplex cinema;

"(B) A mixed-use facility providing for retail stores, dining, entertainment, a health and fitness club, offices, and related facilities;

"(C) A market-rate housing complex consisting of approximately 170 residential units;

"(D) A parking garage containing approximately 850 parking spaces; and

"(E) Other ancillary improvements.

"(b) All fees to be paid, and any deposits to be made, by or on behalf of the Development Sponsor in connection with the Gallery Place Project under the eighth unnumbered paragraph of the General Expenses title of An Act Making Appropriations to provide for the expense of the Government of the District of Columbia for the fiscal year ending June thirtieth, nineteen hundred and ten, and for other purposes are hereby waived.

"(c) The amount of all taxes, fees, and deposits exempt, abated, or waived under subsection (b) of this section, section 302(24) of the District of Columbia Recordation Tax Act and D.C. Code 47-902(17), 47-1002(26), and 47-2005(32), shall not exceed, in the aggregate, \$7 million.

"(d) In accordance with section 5 of An Act providing a permanent form of government for the District of Columbia the Mayor shall expend up to \$2 million to improve and repair the streets, sewers, alleys, sidewalks, curbs, and gutters abutting the Gallery Place Project. All assessments upon abutting property for the cost of improvements to such streets, sewers, alleys, sidewalks, curbs, and gutters, including any expenses of assessment, shall be waived."

## CASE NOTES

### ANALYSIS

Charities.

Educational institutions.

Grounds belonging to institutions entitled to exemption.

In general.

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### Charities.

Where charitable organization acquired a building in January, 1957, to house its activities, but extensive remodeling was required before the building could be used for the intended purpose, and a contract for construction and installation of an elevator was executed in May of 1957, building was exempt from realty taxes for fiscal year beginning July 1, 1957, notwithstanding fact contract for general renovation was not signed until July 9, 1957. D.C.

Code 1951, § 47-801a(h). District of Columbia v. Salvation Army, 264 F.2d 371, 1959 U.S. App. LEXIS 4384 (C.A.D.C. 1959).

Organization which operated a residential settlement house, including classes and social activities for adults and children and day care of children, which charged moderate fees for its services based on individual's ability to pay, which derived its income largely from charitable sources, and which paid its officers no salary, was a "charity" and its realty was exempt from taxation, though organization received fees from those who could afford to pay, and though a few of the beneficiaries could perhaps pay more than they did for services received. D.C. Code 1940, § 47-801a(h). District of Columbia v. Friendship House Ass'n, 198 F.2d 530, 1952 U.S. App. LEXIS 3200 (C.A.D.C. 1952).

It is not necessary for an organization, in order to qualify as a "charity" whose realty is exempt from taxation, that it confine its activities to the furnishing of bare necessities of life,



such as food, shelter, and clothing, and an activity is equally a charity when it affords some of the amenities of a decent life to those who are unable to pay anything at all or the full price thereof. D.C. Code 1940, § 47-801a(h). *District of Columbia v. Friendship House Ass'n*, 198 F.2d 530, 1952 U.S. App. LEXIS 3200 (C.A.D.C. 1952).

Where charitable organization transferred home to its charitable auxiliary which operated charitable home for old ladies, the home was exempt from taxation, notwithstanding the property was not used by owner. D.C. Code 1940, § 47-801a(h). *Catholic Home for Aged Ladies v. District of Columbia*, 161 F.2d 901, 1947 U.S. App. LEXIS 2857 (1947).

Under statute granting exemption from taxation of buildings belonging to and operated by institutions which are not organized or operated for private gain, which are used for purposes of public charity principally in the District of Columbia, a concurrence of ownership and operation in one institution is not essential, but there must be use by charitable organization and ownership by a charitable organization. D.C. Code 1940, § 47-801a(h). *Catholic Home for Aged Ladies v. District of Columbia*, 161 F.2d 901, 1947 U.S. App. LEXIS 2857 (1947).

"Public charity" in the tax exemption for buildings used for purposes of public charity principally in the District of Columbia requires common and public benefit; thus, the activities must confer common benefits to the public. *District of Columbia v. Cato Inst.*, 829 A.2d 237, 2003 D.C. App. LEXIS 475 (2003).

The phrase "purpose of public charity principally in the District of Columbia" in tax exemption applicable to buildings used for purposes of public charity principally in the District of Columbia limits the exemption to only those buildings, operated by charitable institutions, which are used for purposes of charity which principally benefits the public within the District. *District of Columbia v. Cato Inst.*, 829 A.2d 237, 2003 D.C. App. LEXIS 475 (2003).

Think tank's headquarters were not exempt from taxes as buildings used for purposes of public charity principally in the District of Columbia; the think tank accomplished its goals primarily by sharing its research and publications with members of Congress and individuals in the Executive Branch of government, its publications and activities focussed primarily on the impact of the federal government's policies on the economy, education, and society, and the benefit did not inure principally to the public or residents in the District. *District of Columbia v. Cato Inst.*, 829 A.2d 237, 2003 D.C. App. LEXIS 475 (2003).

Taxpayer's sharing and dissemination of information to people in or of the District of Columbia does not by itself demonstrate an

impact within the District necessary for exemption applicable to buildings used for purposes of public charity principally in the District of Columbia; the dissemination is simply an activity that occurs within the District, and there must be some evidence that through the use of the building and the dissemination of such information there is a benefit, which inures principally to the public in the District. *District of Columbia v. Cato Inst.*, 829 A.2d 237, 2003 D.C. App. LEXIS 475 (2003).

Real property tax exemption for buildings belonging to and operated by institutions that are not organized or operated for private gain, which are used for purposes of public charity principally in District of Columbia, is limited to those buildings owned and operated by charitable institutions and used for purposes of charity having its principal impact within District. *District of Columbia v. Helen Dwight Reid Educ. Found.*, 766 A.2d 28, 2001 D.C. App. LEXIS 11 (2001).

Statute exempting from property taxation buildings not organized or operated for private gain but which are used for purposes of public charity within the District of Columbia requires that the charity impact principally in the District of Columbia, rather than requiring only that the principal use of building in the District be for purposes of public charity. D.C. Code 1981, § 47-1002(8). *National Med. Ass'n v. District of Columbia*, 611 A.2d 53, 1992 D.C. App. LEXIS 189 (1992).

Building owned by nonprofit corporation representing interests of about 16,000 black physicians practicing nationwide was not entitled to exemption from property taxation under statute exempting buildings belonging to institutions not operated for private gain but rather used for purposes of public charity principally in the District of Columbia, even though the corporation was not organized or operated for private gain and the building was used for the purposes of public charity; corporation's activities were nationwide, rather than impacting principally in the District. D.C. Code 1981, §§ 47-1001 et seq., 47-1002, 47-1002(8). *National Med. Ass'n v. District of Columbia*, 611 A.2d 53, 1992 D.C. App. LEXIS 189 (1992).

#### **Educational institutions.**

Where corporation conducted school for preparation of young men for entrance examinations to military academies of United States and to afford the students training for a successful career in military and naval services of United States, and control of future of school was placed in hands of trustees but assets subject to such control could be used only for the designation of a school, college, university or fund not organized or operated for private gain, the corporation was not "organized" for private gain within District of Columbia stat-

ute exempting from taxation buildings belonging to and operated by schools not organized for private gain. D.C. Code 1951, § 47-801a(j), (r)(1). *Service Schools Foundation v. District of Columbia*, 276 F.2d 517, 1960 U.S. App. LEXIS 5181 (C.A.D.C. 1960).

In order to qualify under statute exempting real estate belonging to educational institutions from taxation in District of Columbia, institution must render service which relieves District of Columbia of burden it otherwise might assume. D.C. Code 1951, §§ 29-601 et seq., 47-801a. *Washington Chapter of Am. Institute of Banking v. District of Columbia*, 203 F.2d 68, 1953 U.S. App. LEXIS 3772 (C.A.D.C. 1953).

Where prime objective of institution was not education or elevation of public or of some reasonable cross-section thereof, but merely training of bank employees so as to render them more efficient, institution's real estate was not exempt from taxation under statute exempting real property of educational institutions from taxation in District of Columbia. D.C. Code 1951, § 47-801a. *Washington Chapter of Am. Institute of Banking v. District of Columbia*, 203 F.2d 68, 1953 U.S. App. LEXIS 3772 (C.A.D.C. 1953).

Facts that Internal Revenue Service had granted non-profit corporate taxpayer exemption from federal income tax, that taxpayer had also been exempted from District of Columbia sales and use taxes, and that taxpayer was also entitled to special postal rates as nonprofit educational organization, did not mean that it was also entitled to exemption from District's real property taxes. *District of Columbia v. Helen Dwight Reid Educ. Found.*, 766 A.2d 28, 2001 D.C. App. LEXIS 11 (2001).

Office building used as headquarters of non-profit corporate taxpayer whose main activity was publication of scholarly journals of interest primarily to specialists in academic community did not qualify for real property tax exemption under statute exempting buildings belonging to and operated by institutions that were not organized or operated for private gain, which were used for purposes of public charity principally in District of Columbia; "principal impact" of taxpayer's charitable activities was not in District, but rather was nationwide. *District of Columbia v. Helen Dwight Reid Educ. Found.*, 766 A.2d 28, 2001 D.C. App. LEXIS 11 (2001).

Real property owned by religious nonprofit organization and leased to educational nonprofit organization for use as music school was exempt from taxation under statute providing exemption for buildings belonging to and operated by nonprofit schools; organizations did not lose benefit of statutory exemption which would otherwise have been available because they leased to or from different types of charitable organizations rather than the same type of

nonprofit. D.C. Code 1981, § 47-1002(10). *Sisters of the Good Shepherd v. District of Columbia*, 746 A.2d 310, 2000 D.C. App. LEXIS 28 (2000).

Designation of college in will as trustee of charitable trust comprising memorial library and additions thereto, such that college was given bare legal title and no enforceable equitable interest, did not preclude conclusion that memorial library and its additions did not otherwise "belong to" college for purpose of claiming an exemption from real estate taxes when college was invested with broad powers and duties of management and administration and there was an absence of any interest, duties or powers residing in any other person or entity. D.C. Code 1981, § 47-1002(10). *District of Columbia v. Trustees of Amherst College*, 515 A.2d 1115, 1986 D.C. App. LEXIS 446 (1986).

Statute exempting from real estate taxes buildings which belong to and are operated by schools, colleges, or universities, are not organized or operated for private gain, and embrace generally recognized relationship of teacher and student does not require that buildings be used for a particular purpose or activity. D.C. Code 1981, § 47-1002(10). *District of Columbia v. Trustees of Amherst College*, 515 A.2d 1115, 1986 D.C. App. LEXIS 446 (1986).

Property connected with memorial library set up as charitable trust in will naming college as trustee, consisting in part of townhomes located within one block of library and used to provide short-term housing for individuals visiting library, fell within statute exempting from real estate taxes "buildings belonging to and operated by schools, colleges, or universities" where college was shown to embrace the generally recognized relationship of teacher and student and property in question not only belonged to it, but was not used for gain. D.C. Code 1981, § 47-1002(10). *District of Columbia v. Trustees of Amherst College*, 515 A.2d 1115, 1986 D.C. App. LEXIS 446 (1986).

Fact that nonprofit professional resident theater and drama school spent nearly five times more money for its professional theater productions than it did for the school and that the productions generated over five times more income than the school tuitions, although relevant, was not a crucial factor in determining whether school should be granted exemption from real estate taxation on basis that it was an educational institution. D.C. Code § 47-801a(j). *Washington Theatre Club v. District of Columbia*, 311 A.2d 492, 1973 D.C. App. LEXIS 388 (1973).

#### **Grounds belonging to institutions entitled to exemption.**

Automobile parking spaces owned by George Washington University and rented to students for nominal fee of 20 cents a half-day, a fee not



shown to exceed cost of operation, were exempt from District of Columbia realty taxation under statute providing exemption for grounds belonging to and reasonably required and actually used for carrying on the activities and purposes of university not organized or operated for private gain. D.C. Code 1951, § 47-801a(r), (1). *District of Columbia v. George Washington University*, 243 F.2d 246, 1957 U.S. App. LEXIS 2922 (C.A.D.C. 1957).

Parking lots owned by university for free use of its faculty members or employees were used for carrying on activities and purposes of university, and were reasonably required, within statute exempting such grounds from taxation by District of Columbia. D.C. Code 1951, §§ 47-801a(j), (r)(1). *District of Columbia v. George Washington University*, 221 F.2d 87, 1955 U.S. App. LEXIS 3479 (C.A.D.C. 1955).

Vacant lot containing a building used for storage by theatre located in memorial library comprising charitable trust of which college was trustee was not entitled to an exemption from real estate taxes as "grounds... used for the carrying on of the activities and purposes of any institution or organization entitled to exemption" where there was no evidence that vacant lot was reasonably required and actually used for carrying on of such activities. D.C. Code 1981, § 47-1002(18)(A)(i). *District of Columbia v. Trustees of Amherst College*, 515 A.2d 1115, 1986 D.C. App. LEXIS 446 (1986).

#### **In general.**

Exemptions from taxation are to be strictly construed against those claiming exemption. *Conference of Major Religious Superiors of Women, Inc. v. District of Columbia*, C.A.D.C. 1965, 348 F.2d 783, 121 U.S.App., 106 A.2d 143, 1954 D.C. App. LEXIS 150 (Cr.App. 1954).

District of Columbia tax exemption accorded organizations charged with administration, coordination, or unification of activities of exempt institutions or organizations does not require that organization claiming exemption administer, coordinate or unify only those activities in which it is dealing with third parties, and is not limited to organizations which have direct authority over their members. D.C. Code 1961, § 47-801a. *Conference of Major Religious Superiors of Women, Inc. v. District of Columbia*, 348 F.2d 783, 1965 U.S. App. LEXIS 5355 (C.A.D.C. 1965).

Exemptions from taxation are strictly construed against those claiming the exemption, even if claimant is charitable or educational institution, because such exemptions are in nature of a renunciation of sovereignty, and are at war with sound basic tax philosophy which requires a fair distribution of burden of taxation. *Washington Chapter of Am. Institute of*

*Banking v. District of Columbia*, 203 F.2d 68, 1953 U.S. App. LEXIS 3772 (C.A.D.C. 1953).

Exemptions from real property taxation are to be construed strictly against the party claiming an exemption. *District of Columbia v. Cato Inst.*, 829 A.2d 237, 2003 D.C. App. LEXIS 475 (2003).

Each type of tax has its own independent and distinct criteria for exemption. *District of Columbia v. Helen Dwight Reid Educ. Found.*, 766 A.2d 28, 2001 D.C. App. LEXIS 11 (2001).

Exemptions from taxation are to be construed strictly against the party claiming an exemption, even if the claimant is a charitable or educational institution, because such exemptions are in the nature of a renunciation of sovereignty, and are at war with sound basic tax philosophy which requires a fair distribution of the burden of taxation. *District of Columbia v. Helen Dwight Reid Educ. Found.*, 766 A.2d 28, 2001 D.C. App. LEXIS 11 (2001).

District of Columbia real property tax exemption enacted by Congress, as opposed to state legislature, could not offend dormant commerce clause no matter what it said. *District of Columbia v. Helen Dwight Reid Educ. Found.*, 766 A.2d 28, 2001 D.C. App. LEXIS 11 (2001).

#### **Non-profit corporations.**

If non-profit corporate taxpayer's administration building were exempt from real property taxation, then parking lot adjacent to building would likewise be exempt. *District of Columbia v. Helen Dwight Reid Educ. Found.*, 766 A.2d 28, 2001 D.C. App. LEXIS 11 (2001).

Publishing activities of non-profit corporate taxpayer whose central mission was acquisition, preservation and publication of scholarly journals in danger of discontinuation by colleges and universities which published them were not "activities of" those other (potentially exempt) institutions, but rather, were activities only of taxpayer itself, and thus, taxpayer's administration building was not exempt from real property taxation under statute providing exemption for buildings belonging to organizations charged with administration, coordination, or unification of activities of exempt institutions or organizations; schools divested themselves of those activities when they sold periodicals to taxpayer without reservation of rights. *District of Columbia v. Helen Dwight Reid Educ. Found.*, 766 A.2d 28, 2001 D.C. App. LEXIS 11 (2001).

#### **Religious institutions.**

A Washington Ethical Society which holds regular Sunday services and has "leaders" to preach and minister to the members who are trained graduates of established theological institutions qualifies as a "religious corporation or society" and its building is one "primarily and regularly used for public religious worship"

and entitled to tax exemption under the District of Columbia Tax Statute. D.C. Code 1951, §§ 30-106, 47-801a(m, n). *Washington Ethical Soc. v. District of Columbia*, 249 F.2d 127, 1957 U.S. App. LEXIS 3938 (C.A.D.C. 1957).

Old church building, which was leased by church to another religious body for religious services, the church reserving the right to hold services at times which would not conflict with those of the lessee, was not primarily and regularly used by its congregation for public "religious worship", within statute granting tax exemption to church buildings so used. D.C. Code 1951, § 47-801a(m). *Trustees of St. Paul Methodist Episcopal Church South v. District of Columbia*, 212 F.2d 244, 1954 U.S. App. LEXIS 3355 (C.A.D.C. 1954).

In statute granting exemption from taxation to a church building primarily and regularly used by "its" congregation for public religious worship, the antecedent of quoted word is the religious organization which owns the building, and hence concurrence of ownership and use is essential to the exemption. D.C. Code 1951, § 47-801a(m). *Trustees of St. Paul Methodist Episcopal Church South v. District of Columbia*, 212 F.2d 244, 1954 U.S. App. LEXIS 3355 (C.A.D.C. 1954).

Where church organization, desiring to construct a Sunday school building on its property, organized a separate corporation to avoid effect of a restrictive covenant in deed to the church limiting church indebtedness, and building constructed by separate corporation was used for Sunday school purposes and by other organizations of which the church organization was a part, the entire building so constructed was exempt from taxation under statute. D.C. Code 1940, § 47-801a(n). *Calvary Baptist Church Extension Ass'n v. District of Columbia*, 158 F.2d 327, 1946 U.S. App. LEXIS 2387 (1946).

To entitle property owned by a religious corporation to exemption from taxation under statute, two elements must be established, namely, that the building belongs to a religious corporation or society and that it is primarily and regularly used for religious worship, study, training, and missionary activities. D.C. Code 1940, § 47-801a(n). *Calvary Baptist Church Extension Ass'n v. District of Columbia*, 158 F.2d 327, 1946 U.S. App. LEXIS 2387 (1946).

The Code exempting "churches" from taxation refers to the building rather than the institution, and a separate structure maintained by Jewish Congregations for ceremonial baths was not within such exemption. D.C. Code 1940, § 47-801. *Combined Congregations of District of Columbia v. Dent*, 140 F.2d 9, 1943 U.S. App. LEXIS 2157 (1943).

District of Columbia statute section exempting from real property tax the property of churches, including buildings and structures reasonably necessary and usual in the perfor-

mance of activities of the church, and section exempting from property tax the buildings which belong to religious corporations or societies and which are primarily and regularly used for religious worship, study, training and missionary activities, are not mutually exclusive, but are complementary; Congress enacted the latter section to provide tax exemption to organizations with buildings which, by virtue of their use, could not be classified as churches, but which Congress felt should nonetheless be exempt from real property tax due to character of work carried on within. D.C. Code § 47-801a(m, n). *District of Columbia v. Maryland Synod of Lutheran Church*, 307 A.2d 735, 1973 D.C. App. LEXIS 319 (1973).

Real property which was owned by religious organization and rented by the organization with an offer to purchase to church and which the church used primarily and regularly for religious worship, study, training and missionary activities was exempt from real estate tax under District of Columbia statute exempting from real property tax the buildings which belong to religious corporations or societies and which are primarily and regularly used for religious worship, study, training, and missionary activities. D.C. Code § 47-801a(n). *District of Columbia v. Maryland Synod of Lutheran Church*, 307 A.2d 735, 1973 D.C. App. LEXIS 319 (1973).

Under District of Columbia statute exempting churches from taxation and defining a church building as one primarily and regularly used by its congregation for public religious worship, building being prepared on tax day, for use as a church was not exempt, even though congregation gathered at irregular intervals to clean up building and engaged in prayer and singing in building before doing so. D.C. Code, § 47-801a. *Bethel Pentecostal Tabernacle v. District of Columbia*, 106 A.2d 143, 1954 D.C. App. LEXIS 150 (Cr.App. 1954).

Under District of Columbia statute exempting churches from taxation, concurrence of ownership and use is essential to exemption, and religious corporation could not claim exemption for building, deed to which was not delivered until after tax day, even if the building had been used, on tax day, in a manner authorizing exemption. D.C. Code, § 47-801a. *Bethel Pentecostal Tabernacle v. District of Columbia*, 106 A.2d 143, 1954 D.C. App. LEXIS 150 (Cr.App. 1954).

Under subsections (13), (14), and (15) of this section, church's use of property for more than 1 statutory exemption does not preclude full exemption; exempt uses need not fall within 1, and only 1, statutory provision. *First Superet Branch Church of Washington, D.C., Inc. v. District of Columbia*, 112 WLR 369 (Super. Ct. 1984).



Resident ministers' contributions to church do not constitute income or rent, precluding full exemption as pastoral residence under subsection (15) of this section. It is the nature of the use of the property, not the fact that income may be derived from it, which controls whether the property is exempt from taxation. *First Superet Branch Church of Washington, D.C., Inc. v. District of Columbia*, 112 WLR 369 (Super. Ct. 1984).

#### **Rent or income.**

Fact that rent or income was secured from exempt property was not, standing alone, sufficient reason to assess and tax the property; rather, crux of exemption determination was use of the property and not fact that income might be derived from it. D.C. Code § 47-801b. *District of Columbia v. Maryland Synod of Lutheran Church*, 307 A.2d 735, 1973 D.C. App. LEXIS 319 (1973).

#### **Review.**

In construing exemptions from real property taxation, regard for the special function and competence of the Tax Court does not warrant avoiding the Court of Appeals' responsibility of reaching a decision of its own as to the application of the law to the facts. *District of Columbia v. Helen Dwight Reid Educ. Found.*, 766 A.2d 28, 2001 D.C. App. LEXIS 11 (2001).

Even though District of Columbia failed to argue at trial that taxpayer's publications were not "activities of" colleges and universities that sold them to taxpayer, as used in statute providing real property tax exemption for buildings belonging to organizations charged with administration, coordination, or unification of activities of exempt institutions or organizations, Court of Appeals would nonetheless address that issue on District's appeal from trial court's finding that such exemption applied; facts necessary to answer that question were developed on summary judgment by taxpayer itself, which was fully cognizant of statutory requirements it had to meet, and all that was left was legal significance of those facts, which issue taxpayer and District briefed fully on appeal. *District of Columbia v. Helen Dwight Reid Educ. Found.*, 766 A.2d 28, 2001 D.C. App. LEXIS 11 (2001).

#### **Specifically listed organizations.**

Section enumerating institutions whose real property shall be exempt from taxation in Dis-

trict of Columbia reflects congressional inability to derive suitable generalized language covering institutions, for the most part educational or scientific in nature, that were felt deserving of tax exempt status while at same time excluding those that, although capable of effectively pleading a scientific or educational character, were considered properly subject to taxation; the statutory reference to "buildings belonging to such similar institutions as may hereafter be exempted from such taxation by special Acts of Congress" means that institutions not otherwise exempt who are similar to those named in body must seek real property tax exemptions from Congress. D.C. Code § 47-801a(k). *District of Columbia v. National Parks Assoc.*, 444 F.2d 963, 1971 U.S. App. LEXIS 10545 (C.A.D.C. 1971).

Institutions which are similar to the specified institutions listed in subsection of real property tax exemption statute are not entitled to have their tax exempt status determined by generalized subsection exempting buildings belonging to and operated by nonprofit institutions for purpose of public charity principally within the District of Columbia. D.C. Code § 47-801a(h, k). *District of Columbia v. National Parks Assoc.*, 444 F.2d 963, 1971 U.S. App. LEXIS 10545 (C.A.D.C. 1971).

National Parks Association, a nonprofit institution publishing a monthly magazine and cooperating with the National Parks Service, an agency of federal government, to protect and restore open spaces and parks is an institution similar to those institutions specifically exempted under subsection of District of Columbia statute, and since it is not specifically enumerated it is not entitled to tax exemption under the generalized subsection dealing with buildings of nonprofit institutions used for purposes of public charity principally within the District of Columbia. D.C. Code § 47-801a(h, k). *District of Columbia v. National Parks Assoc.*, 444 F.2d 963, 1971 U.S. App. LEXIS 10545 (C.A.D.C. 1971).

Merely because an institution may be said broadly to be similar to those specifically enumerated in District of Columbia real estate tax exemption statute does not require that the institution be specifically exempted by special act of Congress if it falls squarely within the terms of any other subsection of act. D.C. Code § 47-801a(k). *District of Columbia v. National Parks Assoc.*, 444 F.2d 963, 1971 U.S. App. LEXIS 10545 (C.A.D.C. 1971).

## **§ 47-1003. Disabled American Veterans.**

The property situated in square 153 in the City of Washington, District of Columbia, described as lot 132, owned, occupied, and used by the Disabled American Veterans, is hereby exempt from all taxation so long as the same is

so owned and occupied, and not used for commercial purposes, subject to the provisions of §§ 47-1005, 47-1007, and 47-1009.

(May 15, 1946, 60 Stat. 181, ch. 257, § 1; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1003. 1973 Ed., § 47-801a-1.

## § 47-1004. National Society of the Colonial Dames of America.

The property in the District of Columbia described as lot no. 801, in square no. 1285, together with the improvements thereon, known as premises no. 2715 Q Street Northwest, and the furnishings therein, owned by the National Society of the Colonial Dames of America, a corporation organized and existing under the laws of the District of Columbia, shall be exempt from taxation, national and municipal, so long as the same is used for nonprofit purposes. There shall also be exempt from taxation upon the same terms and conditions the adjoining property owned by the National Society of the Colonial Dames of America, now designated on the records of the Assessor of the District of Columbia as Lots 813 and 814 in Square 1285, together with any improvements which may hereafter be erected thereon by said National Society of the Colonial Dames of America.

(Sept. 7, 1949, 63 Stat. 694, ch. 564; Aug. 3, 1968, 82 Stat. 634, Pub. L. 90-459, § 1; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1004. 1973 Ed., § 47-801a-2.

**Editor's notes.** — Office of Assessor abolished: See Historical and Statutory Notes following § 47-413.

## § 47-1005. Real property tax exemption.

(a) If a building (or a portion thereof) or grounds belonging to and actually used by an institution, organization, or other entity exempt from real property taxation under § 47-1002 is used to secure rent or income for an activity other than that for which the exemption was granted, the building (or portion thereof) or grounds shall be assessed and taxed, unless otherwise prohibited by law.

(b) If a building (or a portion thereof) or grounds belonging to and actually used by an institution, organization, or other entity exempt from real property taxation is used to secure a rent or income for any activity, where the exemption was not specifically limited to a particular use, the building (or a portion thereof) or grounds shall be assessed and taxed. This subsection shall not apply to real property exempt under § 47-1002(1) through (3), buildings or grounds subject to taxation under subsection (a) of this section, or real property immune from the levy and collection of tax under the laws of the United States.

(Dec. 24, 1942, 56 Stat. 1091, ch. 826, § 2; enacted, Apr. 9, 1997, D.C. Law



11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 502(v), 48 DCR 334.)

**Section references.** — This section is referred to in §§ 47-1002, 47-1003, 47-1005.01, 47-1006, 47-1008, 47-1009, 47-1010.01, 47-1038, 47-1039, 47-1040, 47-1041, 47-1042, 47-1043, 47-1044, 47-1045, 47-1046, 47-1049, 47-1054, 47-1056, 47-1057, 47-1060, 47-1061, and 47-1062.

**Prior Codifications.** — 1981 Ed., § 47-1005.

1973 Ed., § 47-801b.

**Effect of amendments.** — D.C. Law 13-305 rewrote the section which had read:

"If any building or any portion thereof, or grounds, belonging to and actually used by any institution or organization entitled to exemption under the provisions of §§ 47-1002 and 47-1007 to 47-1010 are used to secure a rent or income for any activity other than that for which exemption is granted, such building, or portion thereof, or grounds, shall be assessed and taxed."

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2(s) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

Section 4 of D.C. Law 16-7 amended § 3(a) of D.C. Law 10-189, set out as a Miscellaneous Note below, by substituting "as an arena" for "as a downtown sports arena".

Section 6(b) of D.C. Law 16-7 provided that the act shall expire after 225 days of its having taken effect.

Section 5 of D.C. Law 16-102 amended Sec. 3 of D.C. Law 10-189, to read as follows:

"(a) Notwithstanding any other law, that portion of the real property, described as lot 0047 in square 0455, in preparation for occupation and use, under construction for occupation or use, or occupied and used as a multi-purpose arena and related amenities shall be exempt from real property taxation, possessory interest taxation and business improvement district taxation.

"(b) The exemption provided by this section shall apply so long as the Land Disposition Agreement—Ground Lease, by and between The District of Columbia Redevelopment Land Agency, The District of Columbia, and DC Arena, LP, dated as of December 29, 1995 and recorded with the Recorder of Deeds on January 5, 1996 as instrument number 9600001285, remains in effect."

Section 11(b) of D.C. Law 16-102 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2(u) of

Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see § 5 of Finance and Revenue Technical Amendments Emergency Amendment Act of 2006 (D.C. Act 16-260, January 26, 2006, 53 DCR 780).

For temporary (90 day) amendment of section, see § 5 of Finance and Revenue Technical Amendments Congressional Review Emergency Amendment Act of 2006 (D.C. Act 16-361, April 26, 2006, 53 DCR 3619).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Short title.** — Short title: Section 7020 of D.C. Law 17-219 provided that subtitle I of title VII of the act may be cited as the "Verizon Center Recordation Tax Clarification Amendment Act of 2008".

**Editor's notes.** — Section 7022 of D.C. Law 17-219 provided that this subtitle shall apply as of July 12, 2007.

Real property tax exemption for downtown sports arena: Section 3 of D.C. Law 10-189, the Arena Tax Amendment Act of 1994, as amended by D.C. Law 16-191, § 30, and D.C. Law 17-219, § 7021, provided:

"(a) Notwithstanding any other law, that portion of the real property, described as lot 0047 in square 0455, in preparation for occupation and use, under construction for occupation or use, or occupied and used as a multi-purpose arena and related amenities shall be exempt from real property taxation, possessory interest taxation, recordation tax, and business improvement district taxation.

"(b) The exemption provided by this section shall apply so long as the Land Disposition Agreement—Ground Lease, by and between The District of Columbia Redevelopment Land Agency, The District of Columbia, and DC Arena, LP, dated as of December 29, 1995 and recorded with the Recorder of Deeds on January 5, 1996 as instrument number 9600001285, remains in effect.

"(b) This section shall apply as of September 28, 1994."

Jewish War Veterans, U.S.A. National Memorial, Incorporated: Public Law 98-486 provided that certain property of the Jewish War Veterans, U.S.A. National Memorial, Incorporated, is exempt from taxation by the District of Columbia.

Real property tax exemption for downtown sports arena: Section 3(b) of D.C. Law 10-189 provided that the provisions of §§ 47-1005, 47-1007, and 47-1009 shall apply with respect to the improvements exempted by the section.

Section 4 of D.C. Law 10-189 provided for the application of the act. See note to § 47-2752.

CASE NOTES

**In general.**

Where unmarried rector occupied rectory as part of his compensation, fact that rector rented three rooms in the rectory to persons other than his immediate family to help cover household expenses was not the use of the building "to secure income for an activity other

than that for which the exemption was granted" so as to annul exemption from real estate taxes provided by statute for pastoral residence owned by church. D.C. Code 1940, Secs. 47-801a, 47-801b. *District of Columbia v. Vestry of St. James Parish*, 153 F.2d 621, 1946 U.S. App. LEXIS 1954 (1946).

**§ 47-1005.01. Interests in real property belonging to government and international organizations.**

(a) For purposes of this section, the term "exempt purpose", as applied to a lessee or user, shall mean an exempt purpose with specified use, operation, and other restrictions as set forth in § 47-1002(4) through (20).

(b) If real property (or a portion thereof), which is exempt or immune from real property taxation under § 47-1002(1) through (3) or the law of the United States or the District of Columbia, is leased, loaned, or otherwise made available to any person in connection with a business or as a residence, or both, and the use is not for an exempt or immune purpose and the person is not exempt or immune from income taxation under the law of the United States or District of Columbia, the leasehold interest, possessory interest, beneficial interest, or beneficial use of the lessee or user of the real property shall be assessed and taxed. The Mayor shall determine the assessed value of the interest or use in accordance with § 47-820(a)(3) as if the lessee or user of the real property were the owner of the real property and the real property were not exempt or immune from taxation; provided, that the taxable value may be adjusted by the Mayor to reflect the duration of the interest or use remaining; provided further, that the Mayor may impute a duration of the interest or use based upon the intent, actions, and policies of the parties to the conveyance, the history of the real property, the perception of third parties, and written documents.

(c) This section shall not apply if:

(1) A payment is made in lieu of taxes in an amount equivalent to the tax which would be lawfully assessed if the real property were not exempt or immune from real property taxation;

(2) The application of this section would cause the District of Columbia to breach a pre-existing agreement or other legal obligation;

(3) The person liable for the tax under this section is subject to taxation under § 47-2002.04 and has paid the tax; or

(4) The real property is subject to taxation under § 47-1005.

(c-1) [Not funded]

(d) The provisions of § 47-831 shall apply in the case where a leasehold interest, possessory interest, beneficial interest, or beneficial use has escaped or been omitted from assessment and taxation, or the assessment has been made void.



(e) The lessee or user shall be subject to the same application process, filing requirements for reports and income and expense statements, taxes, and penalties as an institution, organization, corporation, or association under § 47-1007.

(f)(1) A notice of proposed assessed value shall be mailed to the lessee or user in the same manner and as required under Chapter 8 for a notice of proposed assessed value to an owner of real property.

(2) A lessee or user may appeal from a notice of proposed assessed value and real property classification in the same manner and under the same conditions as an owner under § 47-825.01.

(3) Tax assessed under this section shall be a personal liability of a lessee or user of real property and billed to the lessee or user. Payments of tax shall be applied in the same manner as payments of real property tax. The tax due under this section shall not give rise to a lien against the real property. If the tax is not paid within the time prescribed for payment of real property tax, there shall be added to the tax a penalty of 10% of the unpaid amount, plus interest on the unpaid amount at the rate of 1.5% per month (or portion of a month) until the tax is paid. The amount of the unpaid tax, plus penalty and interest due, shall constitute a delinquent tax to be collected in accordance with Chapter 44 of this title.

(g)(1) The Mayor may assign assessment and taxation squares and lots, or implement such other designation system, to identify a parcel or (portion thereof) for which the corresponding leasehold interest, possessory interest, beneficial interest, or beneficial use of the lessee or user of the real property may be subject to taxation and assessed to the lessee or user in accordance with this section.

(2) A person subject to tax under this section shall provide to the Mayor a District of Columbia Business Tax Identification Number and other tax identification number which the Mayor may require.

(h) The rate of tax under § 47-812, for the applicable classification under § 47-813 determined according to the use of the leased or loaned real property, shall be applied to the assessed value for purposes of the tax levy.

(June 9, 2001, D.C. Law 13-305, § 502(w), 48 DCR 334; Apr. 4, 2003, D.C. Law 14-282, § 11(u), 50 DCR 896; Dec. 3, 2010, D.C. Law 18-260, § 2, 57 DCR 9632.)

**Effect of amendments.** — D.C. Law 14-282 rewrote subsec. (b) and (d); and added subsec. (h).

D.C. Law 18-260 added subsec. (c-1).

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 12(w) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(w) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Temporary Addition of Section.** — For

temporary (225 day) addition of section, see § 2(u) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary (90 day) amendment of section, see §§ 2 and 12(w) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see §§ 2 and 12(w) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of sec-

tion, see §§ 2 and 12(w) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-902.

**Legislative history of Law 18-260.** — Law 18-260, the “Land Acquisition for Housing Development Opportunities Program Act of 2010”, was introduced in Council and assigned Bill No. 18-602, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 15, 2010, and September 21, 2010, respectively. Signed by the Mayor on October 5, 2010, it was assigned Act No. 18-544 and transmitted to both Houses of Congress for its review. D.C. Law 18-260 became effective on December 3, 2010.

**Editor’s notes.** — Section 509 of D.C. Law 13-305 requires that section 502(w) of D.C. Law 13-305, amending this section, shall apply for tax years beginning after September 30, 2001. Section 2 of D.C. Law 14-282 requires that section 502(w) of D.C. Law 13-305, amending this section, shall apply for tax years beginning after September 30, 2003.

Section 3 of D.C. Law 18-260 provided: “Sec. 3. Applicability. This act shall apply upon the inclusion of its fiscal effect in an approved budget and financial plan.”

The Budget Director of the Council of the District of Columbia has determined, as of February 15, 2012, that the fiscal effect of Law 18-260 has not been included in an approved budget and financial plan. Therefore, the provisions of this section, enacted by Law 18-260, are not in effect.

## § 47-1006. Use of property by agencies of the United States or American Red Cross.

The use and occupancy of real property in the District of Columbia by any department, agency, or instrumentality of the United States of America, or by the American Red Cross, on a basis which does not result in the receipt of rent or income to the owner thereof within the meaning of § 47-1005, shall not operate to terminate the tax-exempt status of such property if exempted from taxation prior to such use and occupancy; and, further, that any taxes, penalties, or interest which may be due by reason of such change in the use and occupancy of such property and unpaid on November 30, 1945, shall be abated; provided, that nothing contained in this section shall be construed as authorizing any refund of any taxes, penalties, or interest paid prior to November 30, 1945.

(Nov. 30, 1945, 59 Stat. 589, ch. 501; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1006. 1973 Ed., § 47-801b-1.

## § 47-1007. Real property tax exemption.

(a) Every institution, organization, corporation, or association owning property exempt under the provisions of paragraphs (4) to (20) of § 47-1002 shall, before April 2 of each year, furnish the Mayor a report, under oath, showing the purposes for which its exempt property has been used during the preceding calendar year; provided however, that the requirement for a report shall be satisfied by submitting an application for exemption from tax, and an income and expense statement pursuant to § 47-1002(20). Upon written application by the institution, organization, corporation, or association filed before April 2 of any year, the Mayor may extend the time for filing said report for a



reasonable period. A copy of such report shall be forwarded to the Congress by the Mayor.

(b) If such report is not filed within the time provided herein, or as extended by the Mayor, the property of the institution, organization, corporation, or association affected shall immediately be assessed and taxed until the required report is filed; provided, that the Mayor may abate the tax for reasonable cause.

(c) If the report is not filed within the time provided in subsection (a) of this section, or as extended by the Mayor, a penalty in the amount of \$250 shall be assessed. The penalty shall constitute a delinquent tax on the real property when not paid within 30 days after the date of levy. The Mayor may abate the penalty for reasonable cause.

(Dec. 24, 1942, 56 Stat. 1091, ch. 826, § 3; Oct. 4, 1978, D.C. Law 2-116, § 2, 25 DCR 1735; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 502(x), 48 DCR 334; Apr. 4, 2003, D.C. Law 14-282, § 11(v), 50 DCR 896.)

**Section references.** — This section is referred to in §§ 47-811.02, 47-1002, 47-1003, 47-1005.01, 47-1008, 47-1009, 47-1010.01, 47-1038 to 47-1046, 47-1049, 47-1054, 47-1056, 47-1057, 47-1059 to 47-1062.

**Prior Codifications.** — 1981 Ed., § 47-1007.

1973 Ed., § 47-801c.

**Effect of amendments.** — D.C. Law 13-305, in subsec. (a), substituted “before April 1 of each year” for “on or before March 1, 1943, on or before March 1st of each succeeding year” in the first sentence, and substituted “April 1 of each year” for “March 1st of any year” in the second sentence; in subsec. (b), substituted “provided that the Mayor may abate the tax for any reasonable cause” for “provided, however, that such tax shall be for a minimum period of 30 days”; and added subsec. (c).

D.C. Law 14-282, in subsec. (a), substituted “April 2” for “April 1”.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2(b) of Real Property Equitable Tax Relief Temporary Act of 2000 (D.C. Law 13-196, October 21, 2000, law notification 47 DCR 8986).

For temporary (225 day) amendment of section, see § 2(v) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

For temporary (225 day) amendment of section, see § 12(x) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(x) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

Section 4 of D.C. Law 16-7 amended § 3(a) of D.C. Law 10-189, set out as a Miscellaneous Note below, by substituting “as an arena” for “as a downtown sports arena”.

Section 6(b) of D.C. Law 16-7 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90-day) amendment of section, see § 2(b) of the Real Property Equitable Tax Relief Emergency Act of 2000 (D.C. Act 13-380, July 24, 2000, 47 DCR 6691).

For temporary (90 day) amendment of section, see § 2(v) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see § 12(x) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 12(x) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(x) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 2-116.** — For legislative history of D.C. Law 2-116, see Historical and Statutory Notes following § 47-1002.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-902.

**Editor's notes.** — Real property tax exemption for downtown sports arena: Section 3 of

D.C. Law 10-189, the Arena Tax Amendment Act of 1994, as amended by D.C. Law 16-191, § 30, provided:

"(a) Notwithstanding any other law, that portion of the real property, described as lot 0047 in square 0455, in preparation for occupation and use, under construction for occupation or use, or occupied and used as a multi-purpose arena and related amenities shall be exempt from real property taxation, possessory interest taxation and business improvement district taxation.

"(b) The exemption provided by this section shall apply so long as the Land Disposition Agreement—Ground Lease, by and between

The District of Columbia Redevelopment Land Agency, The District of Columbia, and DC Arena, LP, dated as of December 29, 1995 and recorded with the Recorder of Deeds on January 5, 1996 as instrument number 9600001285, remains in effect.

"(b) This section shall apply as of September 28, 1994."

Jewish War Veterans, U.S.A. National Memorial, Incorporated: Public Law 98-486 provided that certain property of the Jewish War Veterans, U.S.A. National Memorial, Incorporated, is exempt from taxation by the District of Columbia.

## CASE NOTES

### In general.

In apportionment of mixed use commercial property for real property taxation, mayor had authority to adopt regulation providing for conclusive presumption of full commercial use of property from fact alone of nonexcused failure to submit information to assist in apportionment of mixed use property. D.C. Code 1981, § 47-813(f); D.C. Mun.Reg. title 9, § 327.4. *District of Columbia v. Willard Assocs.*, 655 A.2d 1237, 1995 D.C. App. LEXIS 60 (1995).

Mayor's duty to apportion mixed use commercial property for real property taxation depends upon owner's submission of information about use which mayor deems necessary, at time and in form mayor may prescribe. D.C. Code 1981, § 47-813(f); D.C. Mun.Reg. title 9, § 327.4. *District of Columbia v. Willard Assocs.*, 655 A.2d 1237, 1995 D.C. App. LEXIS 60 (1995).

## § 47-1008. Abatement or refund of tax assessed against exempt property.

The Commissioner of the District of Columbia, upon written application by the owner of real property, filed within 90 days from December 24, 1942, is authorized to abate any tax assessed against any real property exempted by §§ 47-1002, 47-1005, and 47-1007 to 47-1010 where such tax was assessed after January 1, 1941, or to refund any such tax within the limitations of appropriations therefor.

(Dec. 24, 1942, 56 Stat. 1091, ch. 826, § 4; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in §§ 47-1002 and 47-1009.

**Prior Codifications.** — 1981 Ed., § 47-1008.

1973 Ed., § 47-801d.

**Editor's notes.** — Property taxes for United House of Prayer for All People forgiven: Section 2 of D.C. Law 6-147 provided that all taxes, penalties, fees, or other charges assessed

against the United House of Prayer for All People on the real property located at 1100 through 1118 McCollough Court, N.W., Washington, D.C., in Square 449, Lot 59, also known as the McCollough Paradise Gardens, for the period of July 1, 1983 to June 30, 1985, be forgiven and any payments already made be refunded.

## § 47-1009. Appeals from assessments.

(a)(1) Within 6 months after the date on which the Mayor mails written denial of an exemption under §§ 47-1002, 47-1005, and 47-1007 to 47-1010, any institution, organization, corporation, or association aggrieved by any



assessment, classification, equalization, or valuation of real property deemed to be exempt from taxation under the provisions of §§ 47-1002, 47-1005, and 47-1007 to 47-1010 may appeal to the Superior Court of the District of Columbia in the same manner and to the same extent as is provided in §§ 47-3303 and 47-3304. Payment of the tax bill shall not be a prerequisite for the appeal.

(2) Approval of the assessment rolls described in § 47-825(g) [repealed], shall not preclude the Mayor from making decisions on applications for exemptions filed before July 1st and pending before the Mayor at the time the assessment roll is approved, and all decisions in regard to the application shall be appealable as provided in paragraph (1) of this subsection.

(b)(1) Applications for exemption from the real property tax must be received on or before September 30 to obtain the exemption for the full tax year. If approved, the exemption will become effective as of October 1 of the tax year for which the exemption is granted.

(2) Effective October 1, 1994, and for each tax year thereafter:

(A) Any real property eligible for exemption from real property tax under § 47-1002 shall be exempt from real property tax as of the first month following the date on which a properly completed application has been filed. Real property tax shall be prorated on a monthly basis. The Mayor may prorate the real property tax to the date the property is eligible for an exemption from real property tax. Real property is eligible for an exemption from real property tax if it meets the requirements set forth in § 47-1002 and a properly completed application is filed with the Mayor.

(B) When real property exempt from real property tax, as provided for in this section, becomes ineligible for the exemption, the owner of the real property shall notify the Mayor (in a manner and at a time as the Mayor may prescribe by regulation) of the real property's ineligibility. The Mayor shall terminate the exemption effective as of the first full month following the date the property became ineligible for the exemption.

(Dec. 24, 1942, 56 Stat. 1091, ch. 826, § 5; July 29, 1970, 84 Stat. 573, Pub. L. 91-358, title I, § 156(c); Mar. 13, 1985, D.C. Law 5-130, § 2, 31 DCR 5199; Sept. 30, 1993, D.C. Law 10-25, § 107, 40 DCR 5489; June 14, 1994, D.C. Law 10-127, § 6, 41 DCR 2050; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in §§ 42-1108.01, 47-903, 47-1002, 47-1003, 47-1008, 47-1010.01, 47-1038 to 47-1046, 47-1049, 47-1051, 47-1054, 47-1056, 47-1057, and 47-1060 to 47-1062.

**Prior Codifications.** — 1981 Ed., § 47-1009.

1973 Ed., § 47-801e.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 107 of Omnibus Budget Support Temporary Act of 1993 (D.C. Law 10-11, August 6, 1993, law notification 40 DCR 6213).

Section 4 of D.C. Law 16-7 amended § 3(a) of

D.C. Law 10-189, set out as a Miscellaneous Note below, by substituting "as an arena" for "as a downtown sports arena".

Section 6(b) of D.C. Law 16-7 provided that the act shall expire after 225 days of its having taken effect.

**Legislative history of Law 5-130.** — Law 5-130, the "Real Property Tax Appellate Provisions Amendment Act of 1984," was introduced in Council and assigned Bill No. 5-303, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on July 10, 1984 and September 12, 1984, respectively. Signed by the Mayor

on October 1, 1984, it was assigned Act No. 5-183 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 10-25.** — Law 10-25, the "Omnibus Budget Support Act of 1993," was introduced in Council and assigned Bill No. 10-165, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on June 1, 1993, and June 29, 1993, respectively. Signed by the Mayor on July 16, 1993, it was assigned Act No. 10-57 and transmitted to both Houses of Congress for its review. D.C. Law 10-25 became effective on September 30, 1993.

**Legislative history of Law 10-127.** — Law 10-127, the "Real Property Statutory and Filing Deadlines Conformity Amendment Act of 1994," was introduced in Council and assigned Bill No. 10-450, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on February 1, 1994, and March 22, 1994, respectively. Signed by the Mayor on April 13, 1994, it was assigned Act No. 10-221 and transmitted to both Houses of Congress for its review. D.C. Law 10-127 became effective on June 14, 1994.

**Editor's notes.** — Real property tax exemption for downtown sports arena: Section 3 of

D.C. Law 10-189, the Arena Tax Amendment Act of 1994, as amended by D.C. Law 16-191, § 30, provided:

"(a) Notwithstanding any other law, that portion of the real property, described as lot 0047 in square 0455, in preparation for occupation and use, under construction for occupation or use, or occupied and used as a multi-purpose arena and related amenities shall be exempt from real property taxation, possessory interest taxation and business improvement district taxation.

"(b) The exemption provided by this section shall apply so long as the Land Disposition Agreement—Ground Lease, by and between The District of Columbia Redevelopment Land Agency, The District of Columbia, and DC Arena, LP, dated as of December 29, 1995 and recorded with the Recorder of Deeds on January 5, 1996 as instrument number 9600001285, remains in effect.

(b) This section shall apply as of September 28, 1994."

Jewish War Veterans, U.S.A. National Memorial, Incorporated: Public Law 98-486 provided that certain property of the Jewish War Veterans, U.S.A. National Memorial, Incorporated, is exempt from taxation by the District of Columbia.

## CASE NOTES

### ANALYSIS

In general.  
Pleadings.  
Time for filing petition.

### In general.

Procedure for contesting tax assessment of property which owner believes should be exempt is to file petition with tax division of superior court within six months after mailing of notice of assessment and failure to do so deprives taxpayer of judicial review. D.C. Code §§ 47-801e, 47-2403. *Trustees of Nineteenth Street Baptist Church v. District of Columbia*, 378 A.2d 661, 1977 D.C. App. LEXIS 396 (1977).

Judicial review is sole remedy available to taxpayer who believes property should be exempt, once Department of Finance and Revenue has made assessment, since Department has no authority to retroactively alter that assessment and grant exemption. D.C. Code §§ 47-801e, 47-2403. *Trustees of Nineteenth Street Baptist Church v. District of Columbia*, 378 A.2d 661, 1977 D.C. App. LEXIS 396 (1977).

### Pleadings.

Where it was impossible to tell from complaint in action to remove certain property from

tax rolls whether during certain years there was a synagogue as well as a place for taking ceremonial baths on premises involved, order dismissing amended complaint would be modified on appeal to allow an amendment so that it might be determined whether plaintiff was entitled to relief for such years. D.C. Code 1940, § 47-801. *Combined Congregations of District of Columbia v. Dent*, 140 F.2d 9, 1943 U.S. App. LEXIS 2157 (1943).

### Time for filing petition.

Requirement that petition contesting assessment of real property be filed within six months "after payment of the tax" applies to tax exempt property, and such six-month period runs from date of assessment. D.C. Code §§ 11-1101, 11-1201, 47-709, 47-801a(j), 47-801e, 47-2401 to 47-2407, 47-2403, 47-2405, 47-2413(c). *National Graduate University v. District of Columbia*, 346 A.2d 740, 1975 D.C. App. LEXIS 270 (1975).

Requirement of timely filing of petition contesting assessment of real property taxes is jurisdictional requirement which cannot be waived by failure to assert six-month limitation period as affirmative defense in answer to petition. D.C. Code § 47-2403. *National Graduate University v. District of Columbia*, 346 A.2d 740, 1975 D.C. App. LEXIS 270 (1975).



## § 47-1010. Rules and regulations.

The Mayor may promulgate regulations to carry out the purpose of this chapter and amend or repeal any existing regulations promulgated to carry out the purpose of this chapter.

(Dec. 24, 1942, 56 Stat. 1091, ch. 826, § 6; Sept. 29, 1943, 57 Stat. 568, ch. 248; Oct. 4, 1978, D.C. Law 2-116, § 2, 25 DCR 1735; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 502(y), 48 DCR 334.)

**Section references.** — This section is referred to in §§ 47-1002, 47-1008, and 47-1009.

**Prior Codifications.** — 1981 Ed., § 47-1010.

1973 Ed., § 47-801f.

**Effect of amendments.** — D.C. Law 13-305 rewrote the section which had read:

“The Mayor is authorized to make and promulgate such rules and regulations as he may deem necessary to carry out the intent and purposes of §§ 47-1002, 47-1005, and 47-1007 to 47-1010; provided, that such rules and regulations shall include provision for mailing annually, on or before February 1st of each year, to each of the institutions, organizations, corporations, or associations required by § 47-1007 to file annual reports, notice of its continuing tax liability under §§ 47-1002, 47-1005, and 47-1007 to 47-1010, together with a copy of any standard form for such reports which shall have been prescribed by the Mayor of the District of Columbia under authority of this section.”

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2(w) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

For temporary (225 day) amendment of section, see § 12(y) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(y) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2(w) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see § 12(y) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 12(y) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(y) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 2-116.** — For legislative history of D.C. Law 2-116, see Historical and Statutory Notes following § 47-1002.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Delegation of Authority.** — Delegation of authority under Act to Define Real Property Exempt from Taxation in the District of Columbia, see Mayor's Order 84-227, December 12, 1984.

## § 47-1010.01. Real property tax exemption.

(a) That portion of real property designated as Lots 37, 40, 824-825, 829-832, 859, 880-882, 887, 890, and 892 in Square 677 in the District of Columbia that is used to secure a rent or income from a tenant that is exempt from federal income taxation under § 501(a) of the Internal Revenue Code of 1986 [26 U.S.C. § 501] as an organization described in § 501(c)(3), (c)(4), (c)(5), or (c)(6) of the Internal Revenue Code of 1986 [26 U.S.C. § 501], and that occupies space in the improvements, shall be afforded real property tax relief.

(b) That portion of real property designated as Lots 45, 49, 51, 834-842, 869-871, 883, 888-889, 891, 893, and 895-896 in Square 677 in the District of Columbia that is used to secure a rent or income from a tenant that is exempt

from federal income taxation under § 501(a) of the Internal Revenue Code of 1986 [26 U.S.C. § 501] as an organization described in § 501(c)(3), (c)(4), (c)(5), or (c)(6) of the Internal Revenue Code of 1986 [26 U.S.C. § 501], and that occupies space in the improvements, shall be afforded real property tax relief.

(c) Subject to the provisions of subsection (d) of this section, the real property tax relief granted by subsections (a) and (b) of this section shall apply only during the time that:

(1) The real property is owned by the Center for Public Administration and Service, Inc., or its successors or assigns; and

(2) The improvements to be constructed on either the land described in subsection (a) of this section or the land described in subsection (b) of this section are used as the headquarters of the Metropolitan Washington Council of Governments, the International City Management Association, and the International City Management Association Retirement Corporation.

(d) The real property tax relief granted by subsections (a) and (b) of this section shall consist of:

(1) An exemption from real property taxation from the date of acquisition of the land by the Center for Public Administration and Service, Inc., or its successors or assigns, until the completion of the fifth real property tax year beginning after the date of issuance of the final certificate of occupancy for the improvements to be constructed on the land; and

(2) A 50% reduction in the real property tax from the completion of the fifth real property tax year beginning after the date of issuance of the final certificate of occupancy for the improvements to be constructed on the land until the completion of the tenth real property tax year beginning after the date of issuance of the final certificate of occupancy.

(e) The provisions of §§ 47-1005, 47-1007, and 47-1009 shall apply with respect to the real property tax relief granted by this section.

(f) The Mayor shall, pursuant to subchapter I of Chapter 5 of Title 2, issue rules to implement the provisions of this section.

(Dec. 24, 1942, ch. 826, § 8, as added May 24, 1988, D.C. Law 7-125, § 2, 35 DCR 2878; July 26, 1989, D.C. Law 8-17, § 11, 36 DCR 4160; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1010.1.

**Legislative history of Law 7-125.** — Law 7-125, the “Center for Public Administration and Service, Inc., Real Property Tax Exemption Act of 1988,” was introduced in Council and assigned Bill No. 7-279, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first, amended first and second readings on March 1, 1988, March 15, 1988 and March 29, 1988, respectively. Signed by the Mayor on April 7, 1988, it was assigned Act No. 7-172 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 8-17.** — Law 8-17, the “Revenue Amendment Act of 1989,” was introduced in Council and assigned Bill No. 8-224, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on May 2, 1989 and May 16, 1989, respectively. Signed by the Mayor on May 26, 1989, it was assigned Act No. 8-34 and transmitted to both Houses of Congress for its review.

**References in text.** — Section 501 of the Internal Revenue Code of 1986, referred to in (a) and (b), is codified as 26 U.S.C. § 501.



### § 47-1011. Property of United States, District of Columbia, and foreign legations exempt from assessments for improvements.

No property except that of the United States or the District of Columbia and property owned by foreign governments for legation purposes shall be exempt from assessments for improvements.

(Mar. 3, 1903, 32 Stat. 961, ch. 992; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Cross references.** — Special assessments, improvement of streets about the Capitol, see § 47-1207.

**Prior Codifications.** — 1981 Ed., § 47-1011.  
1973 Ed., § 47-803.

### § 47-1012. Louise Home.

The buildings and grounds of the Louise Home, and all property held by the trustees thereof for the purposes of the trust contained in a certain deed from William W. Corcoran dated November 21, 1869, and recorded in liber 630 at folio 458 of the land records of the District of Columbia, on the square no. 166 shall be free from all taxes and assessment by the municipal authorities, or by the United States, so long as the same shall be held and used for the purposes of the said trust.

(Mar. 3, 1875, 18 Stat. 508, ch. 168, § 2; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1012.

1973 Ed., § 47-805.

### § 47-1013. Sheridan tapestries.

No personal taxes shall be levied against certain tapestries, which were presented to the late Lieutenant-General Philip H. Sheridan for gallant and meritorious services, and which were on exhibition in the National Museum on April 27, 1904, so long as they are exhibited in said Museum.

(Apr. 27, 1904, 33 Stat. 364, ch. 1628; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1013.

1973 Ed., § 47-806.

### § 47-1014. Chesapeake and Ohio Canal.

For and in consideration of the expenses the said stockholders will be at, not only in cutting the Chesapeake and Ohio Canal, erecting locks and dams, providing aqueducts, feeders, and other works, and in improving and keeping the same in repair, the said Canal and all other works aforesaid, or required to improve the navigation thereof, at any time hereafter, with all their profits, subject to the limitations herein provided, and to none other, shall be, and the

same are hereby, vested in the said stockholders, their heirs and assigns, forever, as tenants in common, in proportion to their respective shares, and be forever exempt from the payment of any tax, imposition, or assessment whatsoever.

(General Assembly of Virginia, Jan. 27, 1824; 4 Stat. 796, Appendix I, § 9; Mar. 3, 1825, 4 Stat. 101, ch. 52; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1014. 1973 Ed., § 47-807.

#### CASE NOTES

**Forfeiture of exemption.**

The question whether a corporation has, by nonuser of its charter, forfeited an exemption from taxation conferred upon it, cannot be tried in an action of ejectment brought by a purchaser of its lands for nonpayment of taxes. The

forfeiture must be established by a direct proceeding for the purpose, before a sale for nonpayment of taxes can be made. *Mackall v. Chesapeake & O. Canal Co.*, 94 U.S. 308, 1876 U.S. LEXIS 1865 (U.S. Dist. Col. 1876).

### § 47-1015. Oak Hill Cemetery Company.

The property owned by The Oak Hill Cemetery Company shall be forever inalienable by the said corporation, and shall be exempted from all public assessments and taxes so long as the same shall remain dedicated to the purposes of a cemetery.

(Mar. 3, 1849, 9 Stat. 775, ch. 128, § 10; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1015. 1973 Ed., § 47-808.

### § 47-1016. Corcoran Gallery of Art — Real property and works of art.

The buildings described in a certain deed from William W. Corcoran to the trustees of the Corcoran Gallery of Art, dated May 10, 1869, and recorded May 18, 1869, in liber D, no. 8, folio 294 et seq., one of the land records of Washington County, District of Columbia, and the grounds connected therewith, together with all of the works of art that may be contained therein, shall be free from all taxes and assessments by the municipal authorities, or by the United States, so long as the same shall be held and used for the purposes set forth in said deed.

(May 24, 1870, 16 Stat. 139, ch. 111, § 4; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1016. 1973 Ed., § 47-809.



### § 47-1017. Same — Endowment fund.

All property held as endowment fund by the trustees of the Corcoran Gallery of Art, in the City of Washington, District of Columbia, for the purpose of revenue to support said institution, shall be, and the same is hereby, declared exempt from all taxation and assessments by the municipal authorities or by the United States so long as the same shall be so held.

(Jan. 26, 1887, 24 Stat. 364, ch. 43; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1017. 1973 Ed., § 47-810.

### § 47-1018. Howard University.

The property, real and personal, of the Howard University shall be exempt from taxation so long as such property shall be used only for the purposes set forth in the charter of said institution; provided, that nothing in this section shall exempt any real estate of said University from assessment and liability for special improvements authorized by law; provided also, that this section shall not include any real estate sold or contracted to be sold by said University to any other person than the United States, the title to which may be still in the said University.

(June 16, 1882, 22 Stat. 105, ch. 222, § 3; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1018. 1973 Ed., § 47-811.

## CASE NOTES

### In general.

Where university acquired realty, income from which was used only to accumulate funds for purchase of additional property with intention of erecting buildings on realty for use in connection with university's educational facilities and also acquired other realty, income, from which was used for educational purposes the realty was not exempt from taxation under statute exempting property of university "used only for education of youth". Act March 2, 1867, 14 Stat. 438, amended by Act May 13, 1938, 52 Stat. 351; D.C. Code 1940, §§ 47-801a to 47-

801f, 47-811. *Howard University v. District of Columbia*, 155 F.2d 10, 1946 U.S. App. LEXIS 2160 (1946).

Under statute exempting from taxation property of university "used only for education of youth", it is the use to which property is put and not use to which profits from its use are put which determines right to exemption, and it is present use and not intended use in future which is controlling. Act March 2, 1867, 14 Stat. 438, amended by Act May 13, 1938, 52 Stat. 351. *Howard University v. District of Columbia*, 155 F.2d 10, 1946 U.S. App. LEXIS 2160 (1946).

### § 47-1019. Luther Statue Association.

The lands acquired and held by the Luther Statue Association, and the statue erected thereon, and all the improvements and appurtenances thereto, shall be entirely exempt from taxation, and shall not be chargeable or assessed for any purpose whatever; provided, that this section may be modified, repealed or amended, whenever Congress may see fit to do so.

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(Mar. 3, 1885, 23 Stat. 350, ch. 334, § 4; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1019. 1973 Ed., § 47-812.

## **§ 47-1020. Saint Mark's Protestant Episcopal Church.**

A certain piece of land situated in the City of Washington, District of Columbia, known as lots 9 and 11, in square 788 of the plan of that City, and occupied by the church known as Saint Mark's Protestant Episcopal Church, and all the buildings, grounds, and property appurtenant thereto and used in connection therewith in the District of Columbia, shall be exempt from any and all taxes or assessments, national, municipal, or county.

(Feb. 23, 1887, 24 Stat. 411, ch. 214; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1020. 1973 Ed., § 47-813.

## **§ 47-1021. Young Women's Christian Home.**

The property, whether real or personal, owned by the trustees of Young Women's Christian Home and used exclusively for the charitable purposes of said organization shall be exempt from taxation.

(Feb. 23, 1887, 24 Stat. 413, ch. 217, § 2; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1021. 1973 Ed., § 47-814.

## **§ 47-1022. Young Women's Christian Association — Property.**

All property of the Young Women's Christian Association of the District of Columbia located in the District of Columbia and occupied and used by such Association for its legitimate purposes shall be exempt from all national and municipal taxation so long as such property is so occupied and used.

(June 16, 1938, 52 Stat. 709, ch. 461, § 1; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1022. 1973 Ed., § 47-815.

## **§ 47-1023. Young Women's Christian Association — Accrued liability.**

The Young Women's Christian Association of the District of Columbia is hereby relieved from any accrued liability to the United States or the District



of Columbia for taxes imposed upon any of the property of such Association located in the District of Columbia for any tax period during which such property was occupied and used by such Association for its legitimate purposes.

(June 16, 1938, 52 Stat. 709, ch. 461, § 2; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1023. 1973 Ed., § 47-816.

### § 47-1024. Young Men's Christian Association.

All property belonging to the Young Men's Christian Association of the District of Columbia, used and occupied by that Association, shall, so long as the same is so owned and occupied, be exempt from taxation, national and municipal; provided, that where ground of said Association is larger than is reasonably required for its use, or is not actually used for the legitimate purposes of said Association, or if said ground or buildings shall be used for private gain, such portion of said ground or buildings as shall not actually be used for the purposes of said Association, or from which it derives a rent or income, such portion of the same, or a sum equal in value to such portion, shall be taxed against such Association.

(Aug. 6, 1894, 28 Stat. 999, ch. 230; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1024. 1973 Ed., § 47-817.

### § 47-1025. Cedar Hill.

When the Frederick Douglass Memorial and Historical Association shall have acquired title in fee simple to the whole or a part, as the case may be, of the property known as Cedar Hill, in the Village of Anacostia, in the District of Columbia, and formerly occupied as the homestead of the late Frederick Douglass, said land and premises shall be, and hereby are declared to be, exempt from all taxes and assessments for taxation so long as the same shall be used for the purposes of this incorporation. Congress reserves the right to amend or repeal this section.

(June 6, 1900, 31 Stat. 663, ch. 806, §§ 7, 8; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1025. 1973 Ed., § 47-818.

### § 47-1026. Edes Home.

The property held by the Edes Home actually and exclusively used and occupied for a home for aged and indigent widows shall while and as long as so actually and exclusively used and occupied, be free from any tax, burden, or

## § 47-1027

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assessment, laid or to be laid by the United States or under any authority emanating therefrom. This section shall be and remain at all times subject to repeal, alteration, or amendment by the Congress of the United States.

(May 1, 1906, 34 Stat. 162, 163, ch. 2075, §§ 2, 6; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1026. 1973 Ed., § 47-819.

## § 47-1027. General Education Board.

(a) All real property of the General Education Board within the District of Columbia which shall be used by the corporation for the educational or other purposes of the corporation as aforesaid, other than the purpose of producing income, and all personal property and funds of the corporation held, used, or invested for educational purposes as aforesaid, or to produce income to be used for such purposes, shall be exempt from taxation; provided, however, that this exemption shall not apply to any property of the corporation which shall not be used for, or the income of which shall not be applied to, the educational purposes of the corporation; and provided further, that the corporation shall annually file with the Secretary of the Interior of the United States a report in writing, stating in detail the property, real and personal, held by the corporation, and the expenditure or other use or disposition of the same or the income thereof during the preceding year.

(b) This section shall be subject to alteration, amendment, or repeal at the pleasure of the Congress of the United States.

(Jan. 12, 1903, 32 Stat. 769, ch. 91, §§ 6, 7; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1027. 1973 Ed., § 47-820.

## § 47-1028. Daughters of American Revolution — Lots 8, 9, and 10, square 173.

The property situated in square no. 173 in the City of Washington, District of Columbia, described as lots 8, 9, and 10, inclusive, occupied by the Daughters of the American Revolution, is hereby exempt hereafter (May 21, 1924) from all taxes, so long as the same is so occupied and used, subject to the provisions of § 47-1002, providing for exemptions of church and school property, and acts amendatory thereof.

(May 21, 1924, 43 Stat. 135, ch. 163; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1028. 1973 Ed., § 47-821.



**§ 47-1029. Daughters of American Revolution — Square 173.**

That the property situated in square no. 173, in Washington City, District of Columbia, occupied on February 27, 1903, by the Daughters of the American Revolution is hereby exempt from all taxation so long as the same is so occupied and used, subject to the provisions of § 47-1002, providing for exemptions of church and school property, and acts amendatory thereof.

(Feb. 27, 1903, 32 Stat. 907, ch. 852; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1029. 1973 Ed., § 47-822.

**§ 47-1030. Daughters of American Revolution — Square 173 — Lots 12, 13, 14, 15, and 16.**

The property situated in square 173 in the City of Washington, District of Columbia, described as lots 12, 13, 14, 15, and 16, inclusive, occupied by the Daughters of the American Revolution, is exempt from and after February 28, 1921, from all taxation so long as the same is so occupied and used, subject to the provisions of § 47-1002, providing for exemptions of church and school property, and acts amendatory thereof.

(Sept. 16, 1922, 42 Stat. 846, ch. 319; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1030. 1973 Ed., § 47-823.

**§ 47-1031. Daughters of American Revolution — Square 173 — Lots 23, 24, 25, 26, 27, and 28.**

The property situated in square 173 in the City of Washington, District of Columbia, described as lots 23, 24, 25, 26, 27, and 28, inclusive, occupied by the Daughters of the American Revolution, is hereby exempt from all taxation so long as the same is so occupied and used, subject to the provisions of § 47-1002, providing for exemptions of church and school property, and acts amendatory thereof.

(Aug. 15, 1916, 39 Stat. 514, ch. 342; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1031. 1973 Ed., § 47-824.

**§ 47-1032. Daughters of American Revolution — Square 173 — Lots 4, 5, 6, 7, and 11.**

The property situated in square 173 in the City of Washington, District of

Columbia, described as lots 4, 5, 6, 7, and 11, inclusive, occupied by the Daughters of the American Revolution, is hereby exempt from and after February 23, 1916, from all taxation so long as the same is so occupied and used, subject to the provisions of § 47-1002, providing for exemptions of church and school property, and acts amendatory thereof.

(Mar. 3, 1917, 39 Stat. 1009, ch. 160; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1032. 1973 Ed., § 47-825.

**§ 47-1033. National Society United States Daughters of 1812; lot 811, square 210.**

The property situated in square no. 210 in the City of Washington, District of Columbia, described as lot 811, occupied and used by the National Society United States Daughters of 1812, is hereby exempt from all taxation so long as the same is so occupied and used, subject to the provisions of § 47-1002, providing for exemptions of church and school property.

(June 4, 1934, 48 Stat. 836, ch. 376; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1033. 1973 Ed., § 47-826.

**§ 47-1034. National Society of the Sons of the American Revolution.**

All property, real and personal, belonging to or held by the National Society of the Sons of the American Revolution in the District of Columbia, used, and occupied by that Society for its purposes, so long as the same is so owned, used, and occupied, is exempt from taxation, national and municipal.

(June 16, 1934, 48 Stat. 972, ch. 547; Oct. 25, 1949, 63 Stat. 888, ch. 709, § 1; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1034. 1973 Ed., § 47-827.

**§ 47-1035. The American Legion; lot 32 and 33 in square 185 and lot 01 in square 763.**

The property situated in square 185 in the City of Washington, District of Columbia, described as lots 32 and 33, owned, occupied, and used by the American Legion, and the property situated in square 763 in the District of Columbia, described as lot 01, owned, occupied, and used by the Kenneth H. Nash Post #8 American Legion, are hereby exempt from all taxation so long as these same properties continue to be so owned and occupied, and not used for



commercial purposes, subject to the provisions of § 47-1002, providing for exemptions of church and school properties.

(June 13, 1934, 48 Stat. 953, ch. 493; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Oct. 16, 1998, D.C. Law 12-168, § 2, 45 DCR 5185.)

**Prior Codifications.** — 1981 Ed., § 47-1035.

1973 Ed., § 47-828.

**Emergency legislation.** — For temporary amendment of section, see § 2 of the Kenneth H. Nash Post #8 American Legion Real Property Tax Exemption Relief Emergency Act of 1996 (D.C. Act 11-477, January 9, 1997, 44 DCR 622).

**Legislative history of Law 12-168.** — Law 12-168, the “Kenneth H. Nash Post # 8 American Legion Real Property Tax Exemption and

Equitable Real Property Tax Relief Act of 1998,” was introduced in Council and assigned Bill No. 12-412, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 2, 1998, and June 16, 1998, respectively. Signed by the Mayor on July 8, 1998, it was assigned Act No. 12-411 and transmitted to both Houses of Congress for its review. D.C. Law 12-168 became effective on October 16, 1998.

## § 47-1036. National Education Association.

All real property of the National Education Association of the United States within the District of Columbia, which shall be used by the corporation for the educational or other purposes of the corporation, other than the purpose of producing income, and all personal property and funds of the corporation, held, used, or invested for educational purposes aforesaid, or to produce income to be used for such purposes, shall be exempt from taxation; provided, however, that this exemption shall not apply to any property of the corporation which shall not be used for or the income of which shall not be applied to the educational purposes of the corporation. Congress may from time to time alter, repeal, or modify this section, but no contract or individual rights made or acquired shall thereby be divested or impaired.

(June 30, 1906, 34 Stat. 805, 808, ch. 3929, §§ 4, 11; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1036.

1973 Ed., § 47-829.

**Editor's notes.** — Taxation of real property by the District of Columbia: For provisions regarding taxation by the District of Columbia

of real property of the National Education Association located in the District of Columbia, see § 158 of Pub. L. 105-100, 111 Stat. 2188, the District of Columbia Appropriations Act, 1998, codified as § 47-1036.01.

## § 47-1036.01. National Education Association — Real property subject to District taxation.

Notwithstanding any provision of any federally granted charter or any other provision of law, the real property of the National Education Association located in the District of Columbia shall be subject to taxation by the District of Columbia in the same manner as any similar organization.

(Nov. 19, 1997, 111 Stat. 2188, Pub. L. 105-100, § 158.)

**Prior Codifications.** — 1981 Ed., § 47-1036.1.

**§ 47-1037. Society of the Cincinnati; part of lot 5, lots 42, 43, 49, and 837 in square 67.**

(a) The property situated in square no. 67 in the City of Washington, District of Columbia, described as lot no. 42, as per plat recorded in the Office of the Surveyor for the District of Columbia, in liber 27 at folio 135; lot no. 43, as per plat recorded in said Surveyor's office in liber 28 at folio 25; lot no. 49 as per plat recorded in said Surveyor's office in liber 40 at folio 15; and part of original lot no. 5 described as follows: beginning for the same at the northeast corner of said lot and running thence west along the south line of a public alley 30 feet wide 47 and seventeen one-hundredths feet to the east line of another public alley, 30 feet wide; thence south along the east line of said alley 74 feet; thence east 47 and seventeen one-hundredths feet to the west line of a public alley 15 feet wide; thence north along the west line of said alley 74 feet to the place of beginning; occupied by the Society of the Cincinnati, a corporation of the District of Columbia, with all the buildings and improvements thereon, and the contents thereof are hereby exempt from all taxes so long as the same is so occupied and used, subject to the provisions of § 47-1002, providing for the exemption of church and school property, subject to the proviso that said Society shall maintain therein a national museum for the custody and preservation of historical documents, relics, and archives, especially those pertaining to the American Revolution, which museum shall be accessible to the public at such reasonable hours and under such regulations as may, from time to time, be prescribed by said Society; and subject to the further proviso that if any part of said property is sold, then the exemption as to said part and said part only shall determine and if any part of said property is leased then the exemption shall cease for so long and so long only as said part is so leased. This exemption to become effective on February 24, 1938.

(b) The real property known for assessment and taxation purposes as lot 837 in square 67 shall be exempt from real property tax so long as the property is owned by the Society of the Cincinnati, the property is used for the purposes of the Society of the Cincinnati, and the Society of the Cincinnati continues to meet the requirements set forth in section 2 of the Closing of a Public Alley in Square 67, S.O. 88-309, Act of 1990, effective March 6, 1991 (D.C. Law 8-215; 38 DCR 144).

(Feb. 24, 1938, 52 Stat. 81, ch. 35; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Oct. 16, 1998, D.C. Law 12-170, § 2(b), 45 DCR 5191.)

**Prior Codifications.** — 1981 Ed., § 47-1037.

1973 Ed., § 47-830.

**Legislative history of Law 12-170.** — Law 12-170, the "Society of the Cincinnati Real Property Tax Exemption and Equitable Real Property Tax Relief Act of 1998," was introduced in Council and assigned Bill No. 12-545,

which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 2, 1998, and June 16, 1998, respectively. Signed by the Mayor on July 8, 1998, it was assigned Act No. 12-413 and transmitted to both Houses of Congress for its review. D.C. Law 12-170 became effective on October 16, 1998.



**§ 47-1038. American Veterans of World War II; lot 805, square 160.**

The property situated in square 160 in the City of Washington, District of Columbia, described as lot 805, owned, occupied, and used by the AMVETS, American Veterans of World War II, is hereby exempt from all taxation so long as the same is so owned and occupied, and not used for commercial purposes, subject to the provisions of §§ 47-1005, 47-1007, and 47-1009.

(June 28, 1952, 66 Stat. 285, ch. 484, § 1; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1038. 1973 Ed., § 47-831.

**§ 47-1039. Veterans of Foreign Wars; lots 38, 20, 19, and 841, square 757 and lot 0001 in square 2709.**

(a) The property situated in square 757 in the City of Washington, District of Columbia, described as lots 38, 20, 19, and 841 owned by the Veterans of Foreign Wars of the United States, is hereby exempt with respect to taxable years beginning on and after July 1, 1959, from all taxation so long as the same is owned and occupied by the Veterans of Foreign Wars of the United States and is not used for commercial purposes, subject to the provisions of §§ 47-1005, 47-1007, and 47-1009.

(b) The property situated in square 2709 in the District of Columbia, described as lot 0001, owned, occupied, and used by the Bethea-Welch Post 7284, Veterans of Foreign Wars, is hereby exempt from all taxation so long as this property continues to be so owned and occupied, and not used for commercial purposes, subject to the provisions of § 47-1002, providing for exemptions of church and school property.

(July 19, 1954, 68 Stat. 493, ch. 543, § 1; Sept. 21, 1959, 73 Stat. 599, Pub. L. 86-333, § 1; Apr. 22, 1960, 74 Stat. 68, Pub. L. 86-430, § 1; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Oct. 16, 1998, D.C. Law 12-169, § 102(b), 45 DCR 5187.)

**Prior Codifications.** — 1981 Ed., § 47-1039.

1973 Ed., § 47-832.

**Legislative history of Law 12-169.** — Law 12-169, the “Bethea-Welch Post 7284, Veterans of Foreign Wars Real Property Tax Exemption and Equitable Real Property Tax Relief Act of 1998, and Tax Increment Financing Authorization and National Capital Revitalization Corporation Technical Amendments Act of 1998,” was introduced in Council and assigned Bill No. 12-531, which was referred to the Committee on Finance and Revenue. The Bill was adopted

on first and second readings on June 2, 1998, and June 16, 1998, respectively. Signed by the Mayor on July 8, 1998, it was assigned Act No. 12-412 and transmitted to both Houses of Congress for its review. D.C. Law 12-169 became effective on October 16, 1998.

**Editor’s notes.** — Bethea-Welch Post 7284 Tax Provisions: Section 101 of D.C. Law 12-169 provided that title I of the act, which amended this section, may be cited as the “Bethea-Welch Post 7284, Veterans of Foreign Wars Real Property Tax Exemption and Equitable Real Property Tax Relief Act of 1998.”

**§ 47-1040. National Woman's Party; lots 863, 864, and 885, square 725.**

Certain property in the District of Columbia, known in the 1600's and 1700's as Cerne Abbey Manor; later the property of members of the distinguished Carroll and Sewall families, still later the office and residence of Albert Gallatin, Secretary of the Treasury, 1801-1813, who here directed the financing of the Louisiana Purchase; since 1929 the headquarters of the National Woman's Party and known as the Alva Belmont House, described as lots nos. 863, 864, and 885 in square no. 725, together with improvements thereon and outbuildings, and the furniture, furnishings, and other personal property therein, owned by the National Woman's Party, Inc., a nonprofit corporation organized and existing under the laws of the District of Columbia; shall be exempt from taxation, in recognition of the patriotic efforts made by the National Woman's Party, Inc., to preserve this historic monument, so long as the same property is owned by said National Woman's Party, Inc., and is not used for commercial purposes or for the purpose of securing a rent or income, subject to the proviso that said corporation shall maintain the said property as historical buildings which shall be preserved for their architectural, historical, and educational significance, which buildings shall be accessible to members of the general public without charge or payment of a fee of any kind at such reasonable hours and under such regulations as may from time to time be prescribed by said corporation, subject to the provisions of §§ 47-1005, 47-1007, and 47-1009.

(Sept. 6, 1960, 74 Stat. 791, Pub. L. 86-706, § 1; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1040. 1973 Ed., § 47-833.

**§ 47-1041. American Association of University Women; lot 84, square 197.**

The real estate described for assessment and taxation purposes as lot 84 in square 197, in the City of Washington, District of Columbia, owned by the American Association of University Women, Educational Foundation, Incorporated, a District of Columbia corporation, is hereby exempt from all taxation so long as the same is owned, occupied, and used by the American Association of University Women, Educational Foundation, Incorporated, for its educational and other corporate purposes, or is jointly occupied with the American Association of University Women, a Massachusetts corporation organized not for profit, for its educational and other corporate purposes, and is not used for commercial purposes, subject to the provisions of §§ 47-1005, 47-1007, and 47-1009.

(Sept. 6, 1960, 74 Stat. 807, Pub. L. 86-709, § 1; May 1, 1990, D.C. Law 8-110, § 2, 37 DCR 1629; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)



**Prior Codifications.** — 1981 Ed., § 47-1041.

1973 Ed., § 47-834.

**Legislative history of Law 8-110.** — Law 8-110, the “American Association of University Women Educational Foundation Real Property Tax Exemption Amendment Act of 1990,” was introduced in Council and assigned Bill No.

8-440. The Bill was adopted on first and second readings on January 30, 1990, and February 13, 1990, respectively. Signed by the Mayor on February 28, 1990, it was assigned Act No. 8-164 and transmitted to both Houses of Congress for its review. D.C. Law 8-110 became effective on May 1, 1990.

## § 47-1042. National Guard Association; lot 60, square 625.

The property situated in square 625 in the City of Washington, District of Columbia, described as lot 60, together with the improvements thereon, shall be exempt from all taxation so long as the property is owned by and titled in the name of the National Guard Association of the United States, a District of Columbia nonprofit corporation, is occupied by the Association, is used solely for purposes of the Association, and is not used for commercial purposes, subject to the provisions of §§ 47-1005, 47-1007, and 47-1009. The transfer of the property to the National Guard Association of the United States shall be exempt from all transfer and recordation taxes of the District of Columbia.

(Sept. 8, 1960, 74 Stat. 856, Pub. L. 86-727; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 5, 2005, D.C. Law 15-276, § 2, 52 DCR 831.)

**Prior Codifications.** — 1981 Ed., § 47-1042.

1973 Ed., § 47-835.

**Effect of amendments.** — D.C. Law 15-276 rewrote the section which had read:

“The property situated in square 625 in the City of Washington, District of Columbia, described as lot 60, together with the improvements thereon, owned by the President, Vice-President, Secretary, and Treasurer of the National Guard Association of the United States, as trustees and in trust for the use and benefit of the National Guard Association of the United States, a voluntary unincorporated association with principal headquarters in the District of Columbia, is hereby exempt from all taxation from and after July 1, 1961, so long as the same is owned by the President, Vice-President, Secretary, and Treasurer of the National Guard Association of the United States, as trustees and in trust for the use and benefit of the National Guard Association of the United States and occupied by the National Guard Association of the United States, is used solely for the purposes of said Association, and is not used for commercial purposes, subject to the provisions of §§ 47-1005, 47-1007, and 47-1009.”

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section,

see § 2 of National Guard Association of the United States Real Property Tax Exemption Reconfirmation and Modification Temporary Act of 2001 (D.C. Law 15-40, November 26, 2003, law notification 50 DCR 10698).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2 of National Guard Association of the United States Real Property Tax Exemption Reconfirmation and Modification Emergency Act of 2003 (D.C. Act 15-115, July 29, 2003, 50 DCR 6592).

For temporary (90 day) amendment of section, see § 2 of National Guard Association of the United States Real Property Tax Exemption Reconfirmation and Modification Congressional Review Emergency Act of 2003 (D.C. Act 15-217, November 7, 2003, 50 DCR 10039).

**Legislative history of Law 15-276.** — Law 15-276, the “National Guard Association of the United States Real Property Tax Exemption Reconfirmation and Modification Act of 2004”, was introduced in Council and assigned Bill No. 15-310, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 9, 2004, and December 7, 2004, respectively. Signed by the Mayor on December 29, 2004, it was assigned Act No. 15-667 and transmitted to both Houses of Congress for its review. D.C. Law 15-276 became effective on April 5, 2005.

## § 47-1043. Woodrow Wilson House.

Certain property in the District of Columbia described as lots no. 36 and 37

in square no. 2,517, as recorded in the Office of the Surveyor of the District of Columbia in liber 64, at folio 69, together with the improvements thereon and the furnishings therein, being premises no. 2340 S Street Northwest, known as the Woodrow Wilson House, owned by the National Trust for Historic Preservation in the United States, a corporation chartered by Act of Congress approved October 26, 1949, be exempt from all taxation, so long as the same is used in carrying on the purposes and activities of the National Trust for Historic Preservation in the United States, and is not used for commercial purposes, subject to the provisions of §§ 47-1005, 47-1007, and 47-1009. Use of the premises by agencies of the United States of America or by any organization exempt from federal income taxation for museum purposes or conference accommodations shall not affect the exemption from taxation provided for herein.

(Aug. 21, 1964, 78 Stat. 581, Pub. L. 88-470, § 1; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1043. 1973 Ed., § 47-836.

## § 47-1044. American Institute of Architects Foundation.

(a) Subject to the provisions of subsection (b) of this section, the following property in the District of Columbia owned by the American Architectural Foundation, Incorporated, a nonprofit corporation organized and existing under the laws of the State of New York, shall be exempt from taxation by the District of Columbia:

(1) The real property (including the improvements thereon known as the Octagon House) which is described as lot 36 in square 170; and

(2) The furniture, furnishings, and other personal property located in any improvements on such real property.

(b)(1) The property described in subsection (a) of this section shall be exempt from taxation by the District of Columbia so long as:

(A) That property is owned by the Foundation referred to in subsection (a) of this section and is used in carrying on its purposes and activities, except as provided in subparagraph (B)(ii) of this paragraph, and is not used for any commercial purposes; and

(B) The Octagon House is:

(i) Maintained by that Foundation as a historical building to be preserved for its architectural and historical significance; and

(ii) Accessible to the general public for payment of a reasonable fee at such reasonable hours and under such regulations as may, from time to time, be prescribed by that Foundation.

(2) The provisions of § 47-1005 shall apply with respect to the property made exempt from taxation by this section, and the Foundation shall make the reports required by § 47-1007 and shall have the appeal rights provided by § 47-1009.

(c) This section shall apply with respect to taxable years beginning after June 30, 1969.



(Jan. 5, 1971, 84 Stat. 1933, Pub. L. 91-650, title II, § 203; Aug. 17, 1994, D.C. Law 10-148, § 2, 41 DCR 4483; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1044.

1973 Ed., § 47-837.

**Legislative history of Law 10-148.** — Law 10-148, the “American Architectural Foundation Amendment Act of 1994,” was introduced in Council and assigned Bill No. 10-550, which was referred to the Committee of the Whole.

The Bill was adopted on first and second readings on May 3, 1994, and June 7, 1994, respectively. Signed by the Mayor on June 23, 1994, it was assigned Act No. 10-261 and transmitted to both Houses of Congress for its review. D.C. Law 10-148 became effective on August 17, 1994.

### § 47-1045. Prince Hall Freemason and Eastern Star Charitable Foundation, lot 0826 in square 0333.

Certain property located in the District of Columbia described as lot 0826 in square 0333 situated at 1000 “U” Street, N.W., together with improvements thereon and furnishings therein, with equitable and legal title in the name of the Prince Hall Freemason and Eastern Star Charitable Foundation, is hereby exempt from all taxation so long as the same is used in carrying on the purposes and activities of the Prince Hall Freemason and Eastern Star Charitable Foundation and is not used for exclusively commercial purposes, subject to the provisions of §§ 47-1005, 47-1007, and 47-1009.

(Oct. 16, 1998, D.C. Law 12-172, § 2, 45 DCR 5195.)

**Prior Codifications.** — 1981 Ed., § 47-1045.

**Legislative history of Law 12-172.** — Law 12-172, the “Prince Hall Freemason and Eastern Star Charitable Foundation Real Property Tax Exemption and Equitable Real Property Tax Relief Act of 1998,” was introduced in Council and assigned Bill No. 12-590, which

was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 2, 1998, and June 16, 1998, respectively. Signed by the Mayor on July 8, 1998, it was assigned Act No. 12-415 and transmitted to both Houses of Congress for its review. D.C. Law 12-172 became effective on October 16, 1998.

### § 47-1046. American Legion, James Reese Europe Post No. 5, lot 33 in square 3508.

Certain property located in the District of Columbia described as lot 33 in square 3508 situated at 2027 North Capitol Street, N.E., together with improvements thereon and furnishings therein, with equitable and legal title in the name of the American Legion, James Reese Europe Post No. 5, is hereby exempt from all taxation so long as the same is used in carrying on the purposes and activities of the American Legion, James Reese Europe Post No. 5 and is not used for exclusively commercial purposes, subject to the provisions of §§ 47-1005, 47-1007, and 47-1009.

(Oct. 16, 1998, D.C. Law 12-171, § 2, 45 DCR 5193; Apr. 20, 1999, D.C. Law 12-264, § 52(m-1), 45 DCR 5193.)

**Prior Codifications.** — 1981 Ed., § 47-1046.

**Legislative history of Law 12-171.** — Law 12-171, the “American Legion, James Reese

Europe Post No. 5 Real Property Tax Exemption and Equitable Real Property Tax Relief Act of 1998," was introduced in Council and assigned Bill No. 12-589, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 2, 1998, and June 16, 1998, respectively. Signed by the Mayor on July 8, 1998, it was assigned Act No. 12-414 and transmitted to both Houses of Congress for its review. D.C. Law 12-171 became effective on October 16, 1998.

**Legislative history of Law 12-264.** — Law 12-264, the "Technical Amendments Act of 1998," was introduced in Council and assigned Bill No. 12-804, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 10, 1998, and December 1, 1998, respectively. Signed by the Mayor on January 7, 1999, it was assigned Act No. 12-626 and transmitted to both Houses of Congress for its review. D.C. Law 12-264 became effective on April 20, 1999.

## § 47-1047. ARCH Training Center, lots 80, 81, and 949 in Square 5861.

The properties located in the District of Columbia described as lots 80, 81, and 949, in square 5861 situated at 747-775 Howard Road, S.E., owned, occupied, and used by the ARCH Training Center, are hereby exempt from all taxation so long as these same properties continue to be so owned and occupied, and not used for commercial purposes, subject to the provisions of § 47-1002, providing for exemption of certain real properties.

(Mar. 26, 1999, D.C. Law 12-195, § 2, 45 DCR 7989.)

**Prior Codifications.** — 1981 Ed., § 47-1047.

**Legislative history of Law 12-195.** — Law 12-195, the "ARCH Training Center Real Property Tax Exemption and Equitable Real Property Tax Relief Act of 1998," was introduced in Council and assigned Bill No. 12-548, which was referred to the Committee on Finance and

Revenue. The Bill was adopted on first and second readings on July 30, 1998, and September 22, 1998, respectively. Signed by the Mayor on October 8, 1998, it was assigned Act No. 12-471 and transmitted to both Houses of Congress for its review. D.C. Law 12-195 became effective on March 26, 1999.

## § 47-1048. Shakespeare Theatre; lot 814, square 787.

(a) Beginning January 1, 1995, the property, real and personal, situated in square 787 in the District of Columbia, described as lot 814, owned, occupied, and used by the Shakespeare Theatre in the Nation's Capital is hereby exempt from all taxation so long as, and to the extent that, the same is owned and occupied by the Shakespeare Theatre and used for nonprofit residential purposes in support of theatrical and educational activities of the Theatre and subject to the provisions of § 47-1002.

(b) Any taxes paid in association with the real or personal property described in subsection (a) of this section prior to April 20, 1999 shall be refunded.

(Apr. 20, 1999, D.C. Law 12-236, § 2(b), 46 DCR 660.)

**Prior Codifications.** — 1981 Ed., § 47-1048.

**Emergency legislation.** — For temporary addition of section, see § 2 of the Lowell School, Inc., Real Property Tax Exemption and Equitable Real Property Tax Relief Emergency Act of 1998 (D.C. Act 12-525, December 10, 1998, 45

DCR 9185), and § 2 of the Lowell School, Inc., Real Property Tax Exemption and Equitable Real Property Tax Relief Congressional Review Emergency Act of 1999 (D.C. Act 13-24, March 9, 1999, 46 DCR 2708).

**Legislative history of Law 12-236.** — Law 12-236, the "Drug Prevention and Children at



Risk Tax Check-Off, Tax Initiative Delay, and Attorney License Fee Act of 1998," was introduced in Council and assigned Bill No. 12-706, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 10,

1998, and December 1, 1998, respectively. Signed by the Mayor on December 21, 1998, it was assigned Act No. 12-561 and transmitted to both Houses of Congress for its review. D.C. Law 12-236 became effective on April 20, 1999.

### § 47-1049. Lowell School, lot 80, in square 2745-F.

The property located in the District of Columbia described as lot 80 in square 2745-F, together with the improvements thereon, situated at 1626, 1630, 1636, 1638, and 1640 Kalmia Road, N.W., and 7775 17th Street, N.W., owned, occupied, and used by the Lowell School, Inc., are hereby exempt from all taxation so long as the same is used in carrying on the purposes and activities of the Lowell School, Inc., and not used for commercial purposes, and subject to the provisions of §§ 47-1005, 47-1007, and 47-1009.

(Sept. 10, 1999, D.C. Law 13-24, § 2(b), 46 DCR 5309.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 2 of Lowell School, Inc., Real Property Tax Exemption and Equitable Real Property Tax Relief Temporary Act of 1998 (D.C. Law 12-237, April 20, 1999, law notification 46 DCR 4150).

For temporary (225 day) addition of section, see § 2 of Fort Stanton Civic Association Real Property Tax Exemption and Equitable Real Property Tax Relief Temporary Act of 2000 (D.C. Law 13-195, October 21, 2000, law notification 47 DCR 8985).

**Emergency legislation.** — For temporary (90-day) addition of § 47-1050 1980 Ed., see § 2 of the Fort Stanton Civic Association Real Property Tax Exemption and Equitable Real

Property Tax Relief Emergency Act of 2000 (D.C. Act 13-371, July 10, 2000, 47 DCR 5841).

**Legislative history of Law 13-24.** — Law 13-24, the "Lowell School, Inc., Real Property Tax Exemption and Equitable Real Property Tax Relief Act of 1999," was introduced in Council and assigned Bill No. 13-48, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on April 13, 1999, and May 4, 1999, respectively. Signed by the Mayor on May 20, 1999, it was assigned Act No. 13-83 and transmitted to both Houses of Congress for its review. D.C. Law 13-24 became effective on September 9, 1999.

### § 47-1050. Greater Southeast Community Hospital Corporation and Hadley Memorial Hospital.

(a)(1) Beginning Tax Year 2001 and ending Tax Year 2007, the property in the District of Columbia, described as lots 3 and 4, square 5919, operated as Greater Southeast Community Hospital, shall be exempt from taxation so long as the same properties are used in carrying on the purposes and activities of the Greater Southeast Community Hospital.

(2) Beginning Tax Year 2001 and ending Tax Year 2006, the property in the District of Columbia, described as parcel 252-0093, operated as Hadley Memorial Hospital, together with improvements thereon and personal property thereon, which property is owned by Doctors Community Healthcare Corporation, shall be exempt from taxation so long as the same property is used in carrying on the purposes and activities of the Hadley Memorial Hospital.

(a-1) For property tax years beginning 2003 and ending 2005, the property tax abatement provided in subsection (a) of this section shall be contingent

upon the entities being licensed to operate by the District of Columbia Department of Health.

(b) For property tax years beginning in 2006, the property tax abatement provided in subsection (a) of this section shall be contingent upon an annual certification by the Mayor that the Greater Southeast Community Hospital Corporation has complied with the terms of the following:

(1) The Memorandum of Understanding, dated July 19, 2001, between the Greater Southeast Community Hospital Corporation and the District of Columbia Office of Local Business Development;

(2) The First Source Employment Agreement, dated September 26, 2001, between the Greater Southeast Community Hospital Corporation and the District of Columbia Department of Employment Services; and

(3) The schedule of annual capital expenditures contained in Attachment S to the Committee on Finance and Revenue's October 9, 2001 Report, as filed with the Secretary to the Council of the District of Columbia, on Bill 14-9, the Greater Southeast Community Hospital Corporation and Hadley Memorial Hospital Tax Abatement Act of 2001.

(c) The Mayor shall make the annual certification required by subsection (b) of this section on or before June 30 prior to the property tax year for which the property tax abatement shall be effective. The certification shall be made for a prior 12-month period which the Mayor shall designate by regulation. If the Mayor fails to issue a certification stating whether or not there has been compliance, the certification of compliance shall be deemed to have been made.

(d) Within 60 days after [April 4, 2003], the Mayor shall submit proposed regulations to implement the certification process provided for under subsection (b) of this section to the Council for a 45-day period of review, not including Saturdays, Sundays, legal holidays, or periods of Council recess. The Council may approve the proposed regulations in whole or in part. If the Council has not approved or disapproved the regulations upon expiration of the 45-day review period, the regulations shall be deemed approved.

(Mar. 19, 2002, D.C. Law 14-82, § 2(b), 49 DCR 194; Apr. 4, 2003, D.C. Law 14-282, § 11(x), 50 DCR 896; Dec. 7, 2004, D.C. Law 15-205, § 1242, 51 DCR 8441; Mar. 2, 2007, D.C. Law 16-191, § 73, 53 DCR 6794; Mar. 14, 2007, D.C. Law 16-288, § 301, 54 DCR 976; Sept. 18, 2007, D.C. Law 17-20, § 1073, 54 DCR 7052; Mar. 25, 2009, D.C. Law 17-353, § 167(c), 56 DCR 1117.)

**Cross references.** — Establishment of Greater Southeast Community Hospital Capital Equipment Fund, see § 1-325.71.

**Effect of amendments.** — D.C. Law 14-282, in subsec. (a), substituted "personal property" for "furnishings"; in subsec. (b), substituted "For property tax years beginning in 2003, the property tax abatement" for "The property tax abatement"; and added subsecs. (c) and (d).

D.C. Law 15-205 added subsec. (a-1); and, in subsec. (b), substituted "2006" for "2003".

D.C. Law 16-191, in subsec. (a-1), validated a previously made technical correction.

D.C. Law 16-288, in subsec. (a), redesignated

existing text as par. (1), in newly designated par. (1), deleted the phrase "and the property in the District of Columbia described as parcel 252-0093, operated as Hadley Memorial Hospital, together with improvements thereon and personal property thereon, which properties are owned by Doctors Community Healthcare Corporation" following the first reference to the Greater Southeast Community Hospital, and deleted "and Hadley Memorial Hospital" following the second reference to the Greater Southeast Community Hospital, and added par. (2).

D.C. Law 17-20, in subsec. (a), substituted "Tax Year 2007" for "Tax Year 2020".

D.C. Law 17-353 made a technical amend-



ment to the enacting clause of Title III of D.C. Law 16-288 which did not change the text of the section.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 12(z) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(z) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Temporary Addition of Section.** — For temporary (220 day) addition of section, see § 2(b) of Fort Stanton Civic Association Real Property Tax Exemption and Equitable Real Property Tax Relief Temporary Act of 2001 (D.C. Law 14-33, October 13, 2001, law notification 48 DCR 9906).

**Emergency legislation.** — For temporary (90-day) addition of § 47-1050, see § 2 of the Fort Stanton Civic Association Real Property Tax Exemption and Equitable Real Property Tax Relief Emergency Act of 2000 (D.C. Act 13-441, October 5, 2000, 47 DCR 8996).

For temporary (90 day) addition of § 47-1050, see § 2 of Fort Stanton Civic Association Real Property Tax Exemption and Equitable Real Property Tax Relief Emergency Act of 2001 (D.C. Act 14-83, July 9, 2001, 48 DCR 6367).

For temporary (90 day) addition of § 47-1050, see § 2 of Fort Stanton Civic Association Real Property Tax Exemption and Equitable Real Property Tax Relief Congressional Review Emergency Act of 2001 (D.C. Act 14-142, October 23, 2001, 48 DCR 9940).

For temporary (90 day) addition of § 47-1050, see § 2 of Fort Stanton Civic Association Real Property Tax Exemption and Equitable Real Property Tax Relief Second Congressional

Review Emergency Act of 2001 (D.C. Act 14-185, November 19, 2001, 48 DCR 11084).

For temporary (90 day) amendment of section, see § 12(z) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(z) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

For temporary (90 day) amendment of section, see § 1242 of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) amendment of section, see § 1242 of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

For temporary (90 day) amendment of section, see § 1073 of Fiscal Year 2008 Budget Support Emergency Act of 2007 (D.C. Act 17-74, July 25, 2007, 54 DCR 7549).

**Legislative history of Law 14-82.** — Law 14-82, the “Greater Southeast Community Hospital Corporation and Hadley Memorial Hospital Tax Abatement Act of 2001”, was introduced in Council and assigned Bill No. 14-9, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 6, 2001, and December 4, 2001, respectively. Signed by the Mayor on December 20, 2001, it was assigned Act No. 14-202 and transmitted to both Houses of Congress for its review. D.C. Law 14-82 became effective on March

**Short title.** — Short title of subtitle W of title I of Law 15-205: Section 1241 of D.C. Law 15-205 provided that subtitle W of title I of the act may be cited as Greater Southeast Community Hospital and Hadley Memorial Hospital Tax Abatement Administration Clarification Act of 2004.

## § 47-1051. Woolly Mammoth Theatre Company, lot 0042 in square 0457.

The real property comprising a portion of the lot that is designated, as of October 1, 2001, as lot 0042 in square 0457 in the District of Columbia, is hereby exempt from real property and deed recordation taxation so long as, and to the extent that, the same is leased to Woolly Mammoth Theatre Company, a District of Columbia nonprofit corporation, for the construction and occupancy of the real property for the nonprofit purposes of Woolly Mammoth Theatre Company; provided, that the exemption shall be subject to the provisions of § 47-1002 as if Woolly Mammoth Theatre Company were the owner of the real property; provided further, that the effective date of the exemption shall be determined under § 47-1009(b)(2) where the date of execution of the lease shall be deemed the date the application is filed. Any

paid real property and deed recordation taxes shall be refunded to the payer under the same conditions and subject to the same provisions as if the exemption were granted administratively.

(May 2, 2002, D.C. Law 14-128, § 2(b), 49 DCR 2327.)

**Legislative history of Law 14-128.** — Law 14-128, the “Woolly Mammoth Theatre Tax Abatement Act of 2001”, was introduced in Council and assigned Bill No. 14-402, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and

second readings on January 8, 2002, and February 5, 2002, respectively. Signed by the Mayor on February 25, 2002, it was assigned Act No. 14-289 and transmitted to both Houses of Congress for its review. D.C. Law 14-128 became effective on May 2, 2002.

## § 47-1052. Payments in lieu of taxes, lots 878 and 880, square 456.

(a) For the purposes of this section, the term:

(1) “Bonds” means any bonds, notes, or other instruments issued by the District pursuant to section 490 of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 774; D.C. Official Code § 1-204.90), the proceeds of which shall be used in whole or in part to finance or refinance the construction of a theater with a floor area of not less than 18,000 square feet to be used for theater and ancillary facilities on a Parcel.

(2) “District” means the District of Columbia.

(3) “Initial PILOT period” means the period:

(A) Beginning on the earlier of the date on which some or all of the Site is:

(i) Under contract to a contract purchaser who is the Qualified Theater Company; or

(ii) Owned by the Qualified Theater Company; and

(B) Ending on the 6th anniversary of the beginning date.

(4) “Owner” means an owner of a Parcel, other than the Qualified Theater Company.

(5) “Parcel” means each portion of the Site.

(6) “Payment in lieu of taxes” or “PILOT” means payments made in lieu of real property taxes pursuant to this section.

(7)(A) “PILOT period” means the period:

(i) Beginning on the earlier of the date on which some or all of the Site is:

(I) Under contract to a contract purchaser who is the Qualified Theater Company; or

(II) Owned by the Qualified Theater Company; and

(ii) Ending upon the earlier of:

(I) The date on which the Initial PILOT Period expires if, on that date, the District has not issued a building permit for a theater with a floor area of not less than 18,000 square feet to be used for theater and ancillary facilities on any Parcel; or

(II) The real property tax year in which the total amount of payments in lieu of taxes pursuant to this section shall equal or exceed \$30 million.



(B) Notwithstanding subparagraph (A) of this paragraph, the PILOT period and Initial PILOT period shall not begin if, on or before November 15, 2002, the District shall make and fund a grant to a Qualified Theater Company in an amount of not less than \$20 million, less reasonably projected earnings on the proceeds pending disbursement determined as of the date the grant is funded, for use by the Qualified Theater Company for capitalizable expenditures incurred in connection with the planning, development, acquisition, or construction of a building to include a theater of the type described in § 47-1002(19) on all or a portion of the Site. The Mayor may make and fund such grant, which shall, if made, be subject to the following condition: if a building permit has not been issued for a theater with a floor area of not less than 18,000 square feet to be used for theater and ancillary facilities on any Parcel before the 6th anniversary of the date the grant is made and funded or, if the grant recipient determines that it is unable or unwilling to acquire title to all or a portion of the Site by December 31, 2003, the grant recipient shall:

(i) Repay the District the principal amount of the grant, less the actual third-party capitalizable expenditures incurred by the grant recipient for capitalizable costs incurred in furtherance of the acquisition and development of a building to include a theater with a floor area of not less than 18,000 square feet on all or a portion of the Site including, architectural and engineering fees and expenses; title, survey, and environmental fees and expenses; development and consulting fees and expenses; legal fees; permit fees; insurance costs; issuance costs and related costs, fees, and expenses; land acquisition deposits, costs, fees, and expenses; and capitalizable interest costs; which costs shall not to exceed \$6 million in the aggregate; and

(ii)(I) Convey title to such portions of the Site as it has acquired to the District for the sum of its cost thereof, plus any interest costs incurred by it in carrying the property so conveyed; or

(II) Proceed to closing and convey title to the District at the grant recipient's cost pursuant to simultaneous all-cash closings.

(8) "Qualified Theater Company" means any entity that:

(A) Operates a theater of the type described in § 47-1002(19);

(B)(i) Owns some or all of the Site; or

(ii) Is or was the contract purchaser of some or all of the Site as of [July 10, 2002]; and

(C) Is the current wholly-owned subsidiary of an entity that is described in the subparagraphs (A) and (B) of this paragraph.

(9) "Site" means lots 878 and 880 in square 456 in the District of Columbia, including any improvements thereon, and any combination thereof, all portions of such lots without regard to any subsequent subdivision or resubdivision of such lots, and any other lots developed along with any part of lots 878 and 880 in square 456 pursuant to the combined lot development method.

(b) Except as provided in subsection (d) of this section, during the PILOT period, no real property taxes shall be due and payable from the owner of a Parcel during the PILOT period. In lieu of real property taxes during the PILOT period, the owner of each Parcel shall pay a PILOT, in the amount that

would be owed to the District if the Parcel were subject to real property taxation (including interest and penalties in the same amount that would be imposed on delinquent real property tax payments), to the Qualified Theater Company in the manner provided in this section.

(c) Except as provided in subsection (d) of this section, during the PILOT period, the District shall, in lieu of any real property tax bills, send a PILOT bill to each owner of each Parcel, and shall send a copy of the PILOT bills to the Qualified Theater Company. The PILOT bills shall be sent out at the same time and in the same manner as real property tax bills would be sent for the Parcels and shall state the amount of the PILOT owed by the property owner. Except as otherwise provided for pursuant to subsection (g) of this section, the PILOT bill shall state that payments shall be made to the Qualified Theater Company, or at the Qualified Theater Company's direction, within the same time period that real property tax payments are required to be made.

(d) If, before the expiration of the Initial PILOT Period, on the date that a PILOT payment is made, the total amount of PILOT payments equals or exceeds \$6 million and no building permit for a theater with a floor area of not less than 18,000 square feet to be used for theater and ancillary facilities on any Parcel has been issued, the collection of the PILOT shall be suspended and the imposition of real property taxes on the Site shall resume. If, after the suspension of the collection of the PILOT but during the Initial PILOT Period, the building permit is issued, then collection of the PILOT shall resume and PILOT bills shall be sent as provided in subsection (c) of this section.

(e) The PILOT shall constitute a prior lien on the applicable Parcels to the same extent as a real property tax lien.

(f) The Qualified Theater Company may pledge its interest in the PILOT as an account pursuant to Article 9 of Title 28.

(g) If the District issues Bonds, the District may, in financing documents that it enters into in connection with that transaction, provide for the PILOT to be made to the bond trustee for the benefit of the holders of the Bonds, to be used only to pay principal, premium, and interest on the Bonds and for any other payments set forth in the financing documents. If such provisions are included in the financing documents, the PILOT shall constitute a lien against the property on which the PILOT was assessed to the same extent as a real property tax lien and shall be deemed to be a tax within the meaning of 11 U.S.C. §§ 502(b), 505, and 507(a)(8)(B).

(h) The Qualified Theater Company, through its counsel, may file suit in the Superior Court of the District of Columbia against any owner of a Parcel whose PILOT is at least 60 days overdue. The Qualified Theater Company may recover as damages a delinquent PILOT, including interest and penalties, and the Qualified Theater Company's attorneys' fees.

(i) Any judgment obtained pursuant to subsection (h) of this section shall not be waived or reduced by the District and shall only be satisfied by the payment to the Qualified Theater Company of the full amount of the judgment, by waiver or compromise by the Qualified Theater Company, or by sale of the relevant Parcel pursuant to subsection (k) of this section.

(j) If the Qualified Theater Company obtains a judgment in a suit filed



pursuant to subsection (h) of this section, it may execute upon the judgment using any method authorized by District law.

(k) If a PILOT shall remain unpaid for 180 days after it is due, upon the request of the Qualified Theater Company or its designee, and upon presentment of evidence in a form satisfactory to the District of the PILOT delinquency, the District shall sell the applicable Parcel in the same manner and under the same conditions as property sold for delinquent real property taxes, at the next ensuing tax sale for which proper notice may be given, if the PILOT, including interest and penalties thereon, shall not have been paid in full prior to the sale. The proceeds shall be applied towards the delinquent PILOT, including interest and penalties thereon; provided, that the proceeds from the sale shall be applied first toward any delinquent water and sewer charges, and then toward any delinquent litter control nuisance fines, in accordance, respectively with §§ 34-2407.02 and 34-2110, and § 8-807). The proceeds for the delinquent PILOT, including interest and penalties thereon, and the Qualified Theater Company's costs associated with the sale shall be delivered to the Qualified Theater Company within 30 business days after their receipt by the District.

(l) A Parcel owner may challenge the accuracy of any PILOT bill in the same manner as if it were a real property tax bill. If, after a Parcel owner pays a PILOT bill, the District determines that the amount of the PILOT bill was incorrect and resulted in an overpayment of some or all of that payment by the Parcel owner, the amount of the overpayment shall be credited against the next PILOT bill with respect to the Parcel.

(m) The remedies available to a Qualified Theater Company under subsections (h), (i), and (j) of this section shall be satisfied only by execution against the Site and no deficiency arising therefrom shall give rise to a personal obligation of the Owners. The penalties, interest, and legal fees provided for in subsections (h), (i), and (j) of this section shall be limited to those available to the District in connection with a tax sale for delinquent real property taxes under Chapter 13A.

(n) This section shall expire on the day after the date on which the District and the Qualified Theater Company have entered into a grant agreement for the making of the grant identified in subsection (a)(7)(B) of this section, and the funding of that grant. The Mayor shall notify the Council when the District and the Qualified Theater Company have entered into the grant agreement and the grant is funded.

(May 2, 2002, D.C. Law 14-129, § 2(b), 49 DCR 2331; Mar. 25, 2003, D.C. Law 14-234, § 2(c), 49 DCR 9775; Apr. 12, 2005, D.C. Law 15-333, § 2(b), 52 DCR 2010.)

**Effect of amendments.** — D.C. Law 14-234, in the section heading, substituted "456" for "856"; in subsec. (a), rewrote pars. (7)(B) and (8)(B)(ii); rewrote subsec. (e); and added subsecs. (m) and (n).

D.C. Law 15-333, in subsec. (a)(8), deleted

"and" at the end of subpar. (A), substituted "and" for a period at the end of subpar. (B); and added subpar. (C).

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2(c) of Square 456 Payment in Lieu of

Taxes Temporary Act of 2002 (D.C. Law 14-201, October 17, 2002, law notification 49 DCR 10019).

For temporary (225 day) amendment of section, see § 2(b) of Lot 878, Square 456 Tax Exemption Clarification Temporary Amendment Act of 2004 (D.C. Law 15-181, September 8, 2004, law notification 51 DCR 9223).

**Emergency legislation.** — For temporary (90 day) amendment of section, see §§ 2(c), (d) and 3 of Square 456 Payment in lieu of Taxes Extension Emergency Act of 2002 (D.C. Act 14-405, July 10, 2002, 49 DCR 7100).

For temporary (90 day) amendment of section, see § 2(b) of Lot 878, Square 456 Tax Exemption Clarification Emergency Act of 2004 (D.C. Act 15-423, May 10, 2004, 51 DCR 5182).

For temporary (90 day) amendment of section, see § 2(b) of Lot 878, Square 456 Tax Exemption Clarification Congressional Review Emergency Act of 2004 (D.C. Act 15-467, July 19, 2004, 51 DCR 7584).

For temporary (90 day) repeal of section 3 of D.C. Law 14-234, see § 7019 of Fiscal Year 2010 Budget Support Second Emergency Act of 2009 (D.C. Act 18-207, October 15, 2009, 56 DCR 8234).

For temporary (90 day) repeal of section 3 of D.C. Law 14-234, see § 7019 of Fiscal Year Budget Support Congressional Review Emer-

gency Amendment Act of 2009 (D.C. Act 18-260, January 4, 2010, 57 DCR 345).

**Legislative history of Law 14-129.** — Law 14-129, the “Square 456 Payment in Lieu of Taxes Act of 2002”, was introduced in Council and assigned Bill No. 14-458, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on January 8, 2002, and February 5, 2002, respectively. Signed by the Mayor on February 25, 2002, it was assigned Act No. 14-290 and transmitted to both Houses of Congress for its review. D.C. Law 14-129 became effective on May 2, 2002.

**Legislative history of Law 14-234.** — For Law 14-234, see notes following § 47-1002.

**Legislative history of Law 15-333.** — For Law 15-333, see notes following § 47-1002.

**Effective date.** — Section 3 of Law 14-234 provided that this act shall take effect subject to the inclusion of its fiscal effect in an approved budget and financial plan.

**References in text.** — The effective date of the Square 456 Payment in Lieu of Taxes Extension Emergency Act of 2002, passed on an emergency basis on June 18, 2002 (Enrolled version of Bill 14-701), referred to in par. (8)(B)(ii), was July 10, 2002.

**Editor’s notes.** — Section 7019 of D.C. Law 18-111 repealed section 3 of D.C. Law 14-234.

## § 47-1053. DC Teachers Federal Credit Union; lot 809, square 938.

(a) The real estate taxes on the nonprofit real property of the DC Teachers Federal Credit Union, including any interest, penalties, fees, fines, and other related charges assessed against the DC Teachers Federal Credit Union, on real property located 903 D Street, N.E., lot 809, square 938, shall be subject to a full or partial tax exemption for the portion of the real property which is used for the nonprofit activities of DC Teachers Federal Credit Union.

(b) Pursuant to § 47-1002, this section shall apply only to a District of Columbia sponsored, federally-chartered, credit union which has its place of business located in a current or former District of Columbia-owned property.

(Mar. 27, 2003, D.C. Law 14-253, § 2, 50 DCR 229.)

**Legislative history of Law 14-253.** — Law 14-253, the “DC Teachers Federal Credit Union Real Property Tax Exemption Act of 2002”, was introduced in Council and assigned Bill No. 14-218, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 7,

2002, and December 3, 2002, respectively. Signed by the Mayor on December 23, 2002, it was assigned Act No. 14-550 and transmitted to both Houses of Congress for its review. D.C. Law 14-253 became effective on March 27, 2003.



## § 47-1054. Capitol Hill Community Garden Land Trust; lot 30, square 1060.

(a) The Council of the District of Columbia orders that all real property taxes, interest, penalties, fees, and other related charges assessed against real property located at square 1060, lot 30, for the period of tax years 1997 to 2003, be forgiven, and that any payment already made for this period, as of [April 5, 2005], be refunded; provided, that this property is owned and used by the Capitol Hill Community Garden Land Trust as a community garden, which is available for use by the public, and not used for commercial purposes.

(b) The one-time transfer of the property specified in subsection (a) of this section to the Capitol Hill Community Garden Land Trust shall not be subject to the recordation and transfer taxes and fees under Chapters 9 or 14 of this title.

(c) Upon the transfer of the property described in subsection (a) of this section to the Capitol Hill Community Garden Land Trust, the property shall be exempt from all taxation so long as the same is used in carrying out the public purposes and activities of the Capitol Hill Community Garden Land Trust, and not used for commercial purposes and subject to the provisions of §§ 47-1005, 47-1007 and 47-1009.

(June 25, 2002, D.C. Law 14-151, § 2, 49 DCR 4244; Apr. 4, 2003, D.C. Law 14-282, § 14, 50 DCR 896; Mar. 13, 2004, D.C. Law 15-105, §§ 72(d), 83, 51 DCR 881; Apr. 5, 2005, D.C. Law 15-267, § 2, 52 DCR 471; Mar. 2, 2007, D.C. Law 16-191, § 75, 53 DCR 6794.)

**Effect of amendments.** — D.C. Law 14-282 designated the existing text as subsec. (a); and added subsecs. (b) and (c).

D.C. Law 15-105 validated previously made technical corrections.

D.C. Law 15-267 rewrote this section which had read:

“(a) The Council of the District of Columbia orders that all real property taxes, interest, penalties, fees, and other related charges assessed against real property located at square 1060, lot 30, for the period of tax years 1997 to 2001, be forgiven, and that any payments already made for this period, as of June 25, 2002, be refunded; provided, that this property is owned, occupied, and used by the Capitol Hill Community Garden Land Trust, is available for use by the public, and not used for commercial purposes.

“(b) The one-time transfer of the property specified in subsection (a) of this section to the Capitol Hill Community Garden Land Trust shall not be subject to the taxes or fees under chapters 9 or 14 of this title.

“(c) Upon the transfer of the property described in subsection (a) of this section to the Capitol Hill Community Garden Land Trust, the property shall be exempt from all taxation so long as the same is used in carrying out the

public purposes and activities of the Capitol Hill Community Garden Land Trust, and not used for commercial purposes and subject to the provisions of 47-1005, 47-1007, and 47-1009.”

D.C. Law 16-191, in subsec. (b), inserted “of this title” following “14”.

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2 of Kings Court Community Garden Equitable Real Property Tax Relief Emergency Act of 2004 (D.C. Act 15-619, November 30, 2004, 51 DCR 11452).

For temporary (90 day) amendment of section, see § 2 of Kings Court Community Garden Equitable Real Property Tax Relief Congressional Review Emergency Act of 2005 (D.C. Act 16-28, February 17, 2005, 52 DCR 2989).

For temporary (90 day) amendment of section, see § 8 of Finance and Revenue Technical Amendments Second Emergency Amendment Act of 2006 (D.C. Act 16-585, December 28, 2006, 54 DCR 340).

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-902.

**Legislative history of Law 15-105.** — For Law 15-105, see notes following § 47-902.

**Legislative history of Law 15-267.** — Law 15-267, the “Kings Court Community Garden

Equitable Real Property Tax Relief Act of 2004", was introduced in Council and assigned Bill No. 15-102, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 9, 2004, and December 7, 2004, respectively. Signed by the Mayor on December

29, 2004, it was assigned Act No. 15-652 and transmitted to both Houses of Congress for its review. D.C. Law 15-267 became effective on April 5, 2005.

**Legislative history of Law 16-191.** — For Law 16-191, see notes following § 47-308.02.

## § 47-1055. Payments in lieu of taxes, Reservation 13 Benefit Area.

If, upon transfer of jurisdiction or title from the United States of America to the District of Columbia, the real property located in the District of Columbia historically known as Reservation 13 is exempt from real property taxes, exempt real property that is leased, loaned, or otherwise made available to any person in connection with a commercial enterprise or as a residence shall be subject to payments in lieu of taxes, unless exempt pursuant to section 47-1002, in an amount equivalent to the tax which would be lawfully assessed if the real property were not exempt or immune from real property taxation. Payments in lieu of taxes shall be treated in the same manner as a tax under § 47-1330(2) and shall be subject to collection under Chapter 13A of this title.

(Apr. 11, 2003, D.C. Law 14-300, § 7(a), 50 DCR 406; Mar. 13, 2004, D.C. Law 15-105, § 84, 51 DCR 881.)

**Effect of amendments.** — D.C. Law 15-105, in the section name line, validated a previously made technical correction.

**Legislative history of Law 15-105.** — For Law 15-105, see notes following § 47-902.

**Legislative history of Law 14-300.** — Law 14-300, the "Draft Master Plan for Public Reservation 13 Approval Act of 2002", was introduced in Council and assigned Bill No. 14-648,

which was referred to the Committee on the Whole. The Bill was adopted on first and second readings on November 7, 2002, and December 3, 2002, respectively. Signed by the Mayor on January 7, 2003, it was assigned Act No. 14-576 and transmitted to both Houses of Congress for its review. D.C. Law 14-300 became effective on April 11, 2003.

## § 47-1056. Rosedale Conservancy, lot 817 in square 1954.

(a) The property located in the District of Columbia described as part of lot 817 in square 1954 situated at 3501 Newark Street, N.W., owned, occupied, and used by the Rosedale Conservancy, is hereby exempt from all taxation so long as:

(1) The real property remains unimproved (except for repairs or maintenance), is maintained as open space and parkland in a manner consistent with the real property's historical significance, and is reasonably accessible to the general public without charge or payment of a fee of any kind; and

(2) After the transfer of the real property from The Conservation Fund, Inc.:

(A) The real property is owned by the Rosedale Conservancy, an organization qualifying under section 501(c)(3) of the Internal Revenue Code of 1986, approved October 22, 1986 (100 Stat. 2085; 26 U.S.C. § 501(c)(3)), and is used solely to further the tax-exempt purposes of the Rosedale Conservancy; and



(B) The Rosedale Conservancy does not lease or otherwise allow other persons to occupy the real property in whole or in part.

(b) Sections 47-1005, 47-1007, and 47-1009 shall apply to the real property.

(c) All real property taxes, interest, penalties, fees, recordation and transfer taxes, and other related charges assessed against real property located on part of square 1954, lot 817, for the period beginning September 25, 2002, including all taxes related to the transfer of the real property from Youth for Understanding to The Conservation Fund, Inc., the interim ownership of the real property by The Conservation Fund, Inc., and the subsequent transfer of the real property from The Conservation Fund, Inc., to the Rosedale Conservancy, shall be forgiven, and any payments already made for this period shall be refunded; provided, that this property is transferred to the Rosedale Conservancy.

(June 21, 2003, D.C. Law 15-11, § 2, 50 DCR 3152.)

**Emergency legislation.** — For temporary (90 day) addition, see § 2(a) of the Rosedale Conservancy Real Property Tax Exemption and Relief Emergency Act of 2003 (D.C. Act 15-50, March 28, 2003, 50 DCR 2951).

**Legislative history of Law 15-11.** — Law 15-11, the “Rosedale Conservancy Real Property Tax Exemption and Relief Act of 2003”, was introduced in Council and assigned Bill

No. 15-50, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on March 4, 2003, and April 1, 2003, respectively. Signed by the Mayor on April 16, 2003, it was assigned Act No. 15-57 and transmitted to both Houses of Congress for its review. D.C. Law 15-11 became effective on June 21, 2003.

## § 47-1057. Crispus Attucks Development Corporation, lot 0046 in square 3117.

The real property located at 77 U Street, N.W., Washington, D.C., lot 0046 in square 3117, shall be exempt from all taxation so long as it is used to carry out the public purposes and activities of the Crispus Attucks Development Corporation and is not used for commercial purposes, subject to the provisions of §§ 47-1005, 47-1007, and 47-1009.

(Apr. 22, 2004, D.C. Law 15-142, § 2, 51 DCR 2589.)

**Temporary Addition of Section.** — For Temporary (225 day) addition of section, see § 2(b) of Crispus Attucks Development Corporation Real Property Tax Exemption and Equitable Real Property Tax Relief Temporary Act of 2003 (D.C. Law 14-303, May 3, 2003, law notification 50 DCR 3777).

For Temporary (225 day) addition of section, see § 2 of Crispus Attucks Development Corporation Real Property Tax Exemption and Equitable Real Property Tax Relief Assistance Temporary Amendment Act of 2004 (D.C. Law 15-121, March 30, 2004, law notification 51 DCR 3808).

**Emergency legislation.** — For temporary (90 day) addition of § 47-1055, see § 2 of Crispus Attucks Development Corporation Real Property Tax Exemption and Equitable

Real Property Tax Relief Emergency Act of 2002 (D.C. Act 14-597, January 7, 2003, 50 DCR 654).

For temporary (90 day) amendment of section, see § 2 of Crispus Attucks Development Corporation Real Property Tax Exemption and Equitable Real Property Tax Relief Congressional Review Emergency Act of 2003 (D.C. Act 15-68, April 16, 2003, 50 DCR 3401).

For temporary (90 day) addition, see § 2(b) of Crispus Attucks Development Corporation Real Property Tax Exemption and Equitable Real Property Tax Relief Assistance Emergency Act of 2003 (D.C. Act 15-287, December 22, 2003, 51 DCR 3180).

For temporary (90 day) addition, see § 2(b) of Crispus Attucks Development Corporation Real Property Tax Exemption and Equitable

Real Property Tax Relief Assistance Congressional Review Emergency Act of 2004 (D.C. Act 15-401, March 18, 2004, 51 DCR 3639).

**Legislative history of Law 15-142.** — Law 15-142, the “Crispus Attucks Development Corporation Real Property Tax Exemption and Equitable Real Property Tax Relief Act of 2004”, was introduced in Council and assigned Bill No. 15-68, which was referred to Committee on Finance and Revenue. The Bill was adopted on first and second readings on January 6, 2004, and February 3, 2004, respectively. Signed by the Mayor on February 19, 2004, it

was assigned Act No. 15-363 and transmitted to both Houses of Congress for its review. D.C. Law 15-142 became effective on April 22, 2004.

**Legislative history of Law 16-91.** — For Law 16-91, see notes following § 47-857.04.

**Editor’s notes.** — Sections 4 and 5 of D.C. Law 15-142 provided: “Sec. 4. Applicability. Section 2 shall apply as of February 1, 2003.

Section 7041 of D.C. Law 17-219 repealed section 5 of D.C. Law 15-142.

D.C. Law 16-91 made a technical correction in the effective date clause of D.C. Law 15-142 that resulted in no change to the text.

## § 47-1058. Emmaus Rehabilitation Project, lot 74 in square 366.

The real property, described as lot 74 in square 366 in the District of Columbia, is hereby exempt from real property and transfer and deed recordation taxation so long as, and to the extent that, the same is occupied by Emmaus Services for the Aging, Inc., an organization qualifying under section 501(c)(3) of the Internal Revenue Code of 1986, approved October 22, 1986 (100 Stat. 2085; 26 U.S.C. § 501(c)(3)), and is used to further the tax-exempt purposes of Emmaus Services for the Aging, Inc. Any real property and transfer and deed recordation taxes paid shall be refunded to the payer under the same conditions and subject to the same provisions as if the exemption were granted administratively.

(Apr. 24, 2004, D.C. Law 15-153, § 2, 51 DCR 2601; Apr. 13, 2005, D.C. Law 15-354, § 103, 52 DCR 2638.)

**Effect of amendments.** — D.C. Law 15-354 validated a previously made technical correction.

**Temporary Addition of Section.** — For Temporary (225 day) addition of section, see § 2 of Emmaus Rehabilitation Project Real Property Exemption Temporary Act of 2003 (D.C. Law 15-78, March 10, 2004, law notification 51 DCR 3370).

**Emergency legislation.** — For temporary (90 day) addition, see § 2(b) of Emmaus Rehabilitation Project Real Property Tax Exemption Emergency Act of 2003 (D.C. Act 15-203, October 24, 2003, 50 DCR 9838).

For temporary (90 day) addition, see § 2 of Emmaus Rehabilitation Project Real Property Exemption Congressional Review Emergency Act of 2004 (D.C. Act 15-340, January 29, 2004, 51 DCR 1820).

**Legislative history of Law 15-153.** — Law 15-153, the “Emmaus Rehabilitation Project Real Property Exemption Act of 2004”, was introduced in Council and assigned Bill No. 15-308, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on January 6, 2004, and February 3, 2004, respectively. Signed by the Mayor on March 3, 2004, it was assigned Act No. 15-369 and transmitted to both Houses of Congress for its review. D.C. Law 15-153 became effective on April 24, 2004.

**Legislative history of Law 15-354.** — For Law 15-354, see notes following § 47-340.03.

**Editor’s notes.** — Section 3 of Law 15-153 provided: “Sec. 3. Applicability. Section 2 shall apply as of April 9, 2003.”

## § 47-1059. American College of Cardiology and American College of Cardiology Foundation.

Property owned, occupied, and used by the American College of Cardiology and the American College of Cardiology Foundation, is hereby exempt from all



taxation so long as the property continues to be so owned and occupied, and not used for commercial purposes, subject to the provisions of § 47-1002 and § 47-1007, providing for exemption of certain real properties.

(Sept. 8, 2004, D.C. Law 15-186, § 2, 51 DCR 5961.)

**Temporary Addition of Section.** — For Temporary (225 day) addition of section, see § 2 of American College of Cardiology Foundation Real Property Tax Exemption Temporary Act of 2003 (D.C. Law 15-45, December 9, 2003, law notification 51 DCR 1780).

**Emergency legislation.** — For temporary (90 day) addition, see § 2 of the American College of Cardiology Foundation Real Property Tax Exemption Emergency Act of 2003 (D.C. Act 15-120, July 29, 2003, 50 DCR 6613).

For temporary (90 day) addition, see § 2 of American College of Cardiology Foundation Real Property Tax Exemption Congressional Review Emergency Act of 2003 (D.C. Act 15-218, November 7, 2003, 50 DCR 10043).

For temporary (90 day) addition of section, see § 2 of American College of Cardiology and American College of Cardiology Foundation

Real Property Tax Exemption Congressional Review Emergency Act of 2004 (D.C. Act 15-466, July 19, 2004, 51 DCR 7581).

**Legislative history of Law 15-186.** — Law 15-186, the “American College of Cardiology and the American College of Cardiology Foundation Real Property Tax Exemption Act of 2004”, was introduced in Council and assigned Bill No. 15-307, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on April 20, 2004, and May 4, 2004, respectively. Signed by the Mayor on May 21, 2004, it was assigned Act No. 15-438 and transmitted to both Houses of Congress for its review. D.C. Law 15-186 became effective on September 8, 2004.

**Editor’s notes.** — Section 7053 of D.C. Law 17-219 repealed section 3 of D.C. Law 15-186.

## § 47-1060. Southeast Neighborhood House, lots 0808, 0904, and 0905 in square 5802.

The properties located in the District of Columbia described as lots 0808, 0904, and 0905 in square 5802, situated in the 1200 block of Maple View Place, S.E., and the 2200 block of Mount View Place, S.E., owned by Southeast Neighborhood House, Inc., or to be transferred to same, are hereby exempt from real property taxation so long as the properties continue to be so owned and continue to be occupied and used by Southeast Neighborhood House, Inc., or Children of Mine, Inc., District of Columbia nonprofit corporations, and not used for commercial purposes, subject to the provisions of §§ 47-1005, 47-1007, and 47-1009 as if the exemptions were granted administratively under this chapter.

(Apr. 5, 2005, D.C. Law 15-264, § 2, 52 DCR 241; Mar. 2, 2007, D.C. Law 16-191, § 76, 53 DCR 6794.)

**Effect of amendments.** — D.C. Law 16-191 validated a previously made technical correction.

**Temporary Addition of Section.** — For Temporary (225 day) addition of section, see § 2(b) of Southeast Neighborhood House Real Property Tax Exemption and Equitable Real Property Tax Relief Temporary Amendment Act of 2002 (D.C. Law 14-260, March 27, 2003, law notification 50 DCR 2937).

For Temporary (225 day) addition of section, see § 2(b) of Southeast Neighborhood House Real Property Tax Exemption and Equitable Real Property Tax Relief Temporary Act of 2004

(D.C. Law 15-123, March 30, 2004, law notification 51 DCR 3810).

**Emergency legislation.** — For temporary (90 day) addition, see § 2 of Southeast Neighborhood House Real Property Tax Exemption and Equitable Real Property Tax Relief Emergency Act of 2002 (D.C. Act 14-533, December 2, 2002, 49 DCR 11639).

For temporary (90 day) addition, see § 2 of Southeast Neighborhood House Real Property Tax Exemption and Equitable Real Property Tax Relief Congressional Review Emergency Act of 2003 (D.C. Act 15-40, March 24, 2003, 50 DCR 2780).

For temporary (90 day) addition, see § 2(b) of Southeast Neighborhood House Real Property Tax Exemption and Equitable Real Property Tax Relief Emergency Act of 2003 (D.C. Act 15-292, January 6, 2004, 51 DCR 907).

For temporary (90 day) amendment of section, see § 9 of Finance and Revenue Technical Amendments Second Emergency Amendment Act of 2006 (D.C. Act 16-585, December 28, 2006, 54 DCR 340).

**Legislative history of Law 15-264.** — Law 15-264, the “Southeast Neighborhood House Real Property Tax Exemption and Equitable Real Property Tax Relief Act of 2004”, was introduced in Council and assigned Bill No. 15-74, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 9, 2004, and December 7, 2004, respectively. Signed by the Mayor on December 29, 2004, it was as-

signed Act No. 15-649 and transmitted to both Houses of Congress for its review. D.C. Law 15-264 became effective on April 5, 2005.

**Legislative history of Law 16-191.** — For Law 16-191, see notes following § 47-308.02.

**Editor’s notes.** — Section 3(a) of D.C. Law 15-264 provided:

“(a) The Council orders that:

“(1) All real property taxes or taxes under D.C. Official Code § 47-1005.01, and interest and penalties thereon, assessed against lot 0808 for the period March 1, 1993 through the first day of the month following the effective day of this act April 5, 2005, shall be forgiven.

“(2) All real property taxes or taxes under D.C. Official Code § 47-1005.01, and interest and penalties thereon, assessed against lots 0904 and 0905 for the period March 1, 1993 through the first day of the month following the effective day of this act, shall be forgiven.”

## § 47-1061. Capitol Hill Community Garden Land Trust; lot 0109 in square 1100.

Upon the transfer of real property located at square 1100, lot 0109 to the Capitol Hill Community Garden Land Trust, the property shall be exempt from all taxation so long as the same is available for use by the public generally, not used for commercial purposes, and subject to the provisions of §§ 47-1005, 47-1007, and 47-1009 as if the exemption were granted administratively under this chapter.

(Apr. 5, 2005, D.C. Law 15-284, § 2(b), 52 DCR 855.)

**Legislative history of Law 15-284.** — Law 15-284, the “Capitol Hill Community Garden Land Trust Real Property Tax Exemption and Equitable Real Property Tax Relief Act of 2004”, was introduced in Council and assigned Bill No. 15-614, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 9, 2004, and December 7, 2004, respectively. Signed by the Mayor on December 29, 2004, it was assigned Act No. 15-677 and transmitted to both Houses of Congress for its review. D.C. Law 15-284 became effective on April 5, 2005.

**Editor’s notes.** — Sections 3 and 4 of D.C. Law 15-284 provided:

“Sec. 3. Equitable real property tax relief; exemption from transfer taxes, penalties, interest or fees.

“(a) The Council orders that all real property taxes, interest, penalties, fees, and other related charges assessed against real property located at square 1100, lot 0109, since October 1, 1994 through the first day of the month following the effective date of this act, be forgiven, and that any payment already made for this period be refunded; provided, that this property is owned by the Capitol Hill Community Garden Land Trust, available for use by the public generally, and not used for commercial purposes.

“(b) The one-time transfer of the property described in subsection (a) of this section to the Capitol Hill Community Garden Land Trust shall not be subject to any taxes, penalties, interest, or fees.

Section 7056 of D.C. Law 17-219 repealed section 4 of D.C. Law 15-284.

## § 47-1062. Bread for the City Community Garden.

The real property located in square 445, lots 198, 199, and 200, which is owned and used by Bread For The City as a community garden, is hereby exempt from all taxation so long as the property continues to be so owned and



used, not used for commercial purposes, and subject to the provisions of § 47-1005, § 47-1007, and § 47-1009, as if the exemption were granted administratively under this chapter.

(Apr. 5, 2005, D.C. Law 15-283, § 2(b), 52 DCR 853.)

**Legislative history of Law 15-283.** — Law 15-283, the “Bread for the City Community Garden Equitable Real Property Tax Relief Act of 2004”, was introduced in Council and assigned Bill No. 15-585, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings

on November 9, 2004, and December 7, 2004, respectively. Signed by the Mayor on December 29, 2004, it was assigned Act No. 15-676 and transmitted to both Houses of Congress for its review. D.C. Law 15-283 became effective on April 5, 2005.

### **§ 47-1063. Department of the District of Columbia Veterans of Foreign Wars; lot 0040, square 5167.**

Property situated in square 5167, located at 1601 Kenilworth Avenue, N.E., described as lot 0040, owned, occupied, and used by the Department of the District of Columbia Veterans of Foreign Wars, is hereby exempt from all taxation so long as this same property continues to be owned and occupied by the Department of the District of Columbia Veterans of Foreign Wars, and not used for commercial purposes, providing for exemption of certain real properties.

(Apr. 5, 2005, D.C. Law 15-268, § 2(b), 52 DCR 473.)

**Temporary Addition of Section.** — For Temporary (225 day) addition of section, see § 2 of Veterans of Foreign Wars Real Property Tax Exemption and Equitable Real Property Tax Relief Temporary Act of 2003 (D.C. Law 15-59, December 9, 2003, law notification 51 DCR 1794).

**Emergency legislation.** — For temporary (90 day) addition, see § 2 of the Veterans of Foreign Wars Property Tax Exemption and Equitable Real Property Tax Relief Emergency Act of 2003 (D.C. Act 15-134, July 29, 2003, 50 DCR 6853).

For temporary (90 day) addition, see § 2 of Veterans of Foreign Wars Real Property Tax Exemption and Equitable Real Property Tax Relief Congressional Review Emergency Act of 2003 (D.C. Act 15-231, November 25, 2003, 50 DCR 10725).

For temporary (90 day) addition, see § 2(b) of Veterans of Foreign Wars Real Property Tax Exemption and Equitable Real Property Tax Relief Emergency Act of 2004 (D.C. Act 15-520, August 2, 2004, 51 DCR 9002).

**Legislative history of Law 15-268.** — Law 15-268, the “Veterans of Foreign Wars Real Property Tax Exemption and Equitable Real Property Tax Relief Act of 2004”, was introduced in Council and assigned Bill No. 15-102, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 9, 2004, and December 7, 2004, respectively. Signed by the Mayor on December 29, 2004, it was assigned Act No. 15-653 and transmitted to both Houses of Congress for its review. D.C. Law 15-268 became effective on April 5, 2005.

### **§ 47-1064. Payments in lieu of taxes; lots 826 and 831, square 491.**

(a) Subject to subsection (b) of this section, the real properties located in the District of Columbia described as lots 826 and 831 in square 491, together with improvements thereon, owned by The Freedom Forum, Inc., a nonprofit corporation exempt from federal income taxation, or a wholly owned entity thereof disregarded for purposes of federal income taxation (“properties”), are hereby exempt from real property taxation as of December 21, 2000. Record-

tion taxes assessed against The Freedom Forum, Inc., or its disregarded entity, as a result of the transfer of the properties, shall be forgiven and any amounts paid therefor shall be refunded to the payor. The Freedom Forum, Inc., and its disregarded entity, shall be exempt from transfer and recordation taxes arising from the transfer of any portion of the properties.

(b)(1) Upon issuance of a final certificate of occupancy to The Freedom Forum, Inc., or its disregarded entity, to operate the Newseum on the properties, the properties, or portion thereof, shall be subject to a payment in lieu of taxes at the election of the District of Columbia in accordance with the provisions of that certain Land Use Restriction Agreement dated as of December 21, 2000 and recorded among the land records of the District of Columbia at the Recorder of Deeds ("Land Records") as Document Number 2000117290, as amended by that certain First Amendment to Land Use Restriction Agreement dated as of June 17, 2002 and recorded among the Land Records as Document Number 2002071121 (as amended, "Land Use Restriction Agreement"). The payment shall be treated in the same manner as a tax under § 47-1330(2) and shall be subject to collection under Chapter 13A [of this title].

(2) Upon transfer of any portion of the properties to an unrelated person, the portion of the properties so transferred shall be subject to real property taxation in accordance with the provisions of the Land Use Restriction Agreement.

(3) The foregoing provisions notwithstanding, if the Freedom Forum, Inc., or its disregarded entity, enters into a joint venture with a third party for purposes of residential development on the properties, or a portion thereof, the portion of the properties on which the residential development occurs shall become subject to real property taxation upon the earlier of:

(A) The date of issuance of a final certificate of occupancy to The Freedom Forum, Inc., or its disregarded entity, to operate the Newseum on the properties; or

(B) The date of issuance of the first final certificate of occupancy for the residential development.

(Apr. 5, 2005, D.C. Law 15-266, § 2(b), 52 DCR 468.)

**Temporary Addition of Section.** — For Temporary (225 day) addition of section, see § 2(b) of Freedom Forum Real Property Tax Exemption and Equitable Real Property Tax Relief Temporary Act of 2002 (D.C. Law 14-222, March 25, 2003, law notification 50 DCR 2735).

For Temporary (225 day) addition of section, see § 2 of Freedom Forum Newseum Real Property Tax Exemption and Equitable Real Property Tax Relief Temporary Act of 2003 (D.C. Law 15-76, March 10, 2004, law notification 51 DCR 3368).

**Emergency legislation.** — For temporary (90 day) addition, see § 2(b) of Freedom Forum Real Property Tax Exemption and Equitable

Real Property Tax Relief Emergency Act of 2002 (D.C. Act 14-423, July 17, 2002, 49 DCR 7623).

For temporary (90 day) addition, see § 2(b) of Freedom Forum Real Property Tax Exemption and Equitable Real Property Tax Relief Congressional Review Emergency Act of 2002 (D.C. Act 14-511, October 23, 2002, 49 DCR 10469).

For temporary (90 day) addition, see § 2 of Freedom Forum Real Property Tax Exemption and Equitable Real Property Tax Relief Congressional Review Emergency Act of 2003 (D.C. Act 15-1, January 22, 2003, 50 DCR 1419).

For temporary (90 day) addition, see § 2(b) of Freedom Forum Newseum Real Property Tax



Exemption and Equitable Real Property Tax Relief Emergency Act of 2003 (D.C. Act 15-202, October 24, 2003, 50 DCR 9834).

For temporary (90 day) addition, see § 2(b) of Freedom Forum Newseum Real Property Tax Exemption and Equitable Real Property Tax Relief Congressional Review Emergency Act of 2004 (D.C. Act 15-318, January 28, 2004, 51 DCR 1557).

**Legislative history of Law 15-266.** — Law 15-266, the “Freedom Forum, Inc. Real Property Tax Exemption and Equitable Real Property Tax Relief Act of 2004”, was introduced in

Council and assigned Bill No. 15-76, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 9, 2004, and December 7, 2004, respectively. Signed by the Mayor on December 29, 2004, it was assigned Act No. 15-651 and transmitted to both Houses of Congress for its review. D.C. Law 15-266 became effective on April 5, 2005.

**References in text.** — Chapter 13A, referred to in subsec. (b)(1), is Chapter 13A of this title.

**§ 47-1065. Douglass Knoll, Golden Rule, 1728 W Street and Wagner Gainesville Rehabilitation Projects, lot 840 in Square 525, lots 33 through 36 in square 5734, lots 42 through 44 in square 5835, lot 166 in square 5778, lots 38 through 44 in square 5894, and lots 69 through 72 in square 5895.**

(a) The real property, described as lot 840 in square 525 in the District of Columbia, shall be exempt from real property taxation for a period of 15 years so long as the property is:

- (1) Owned by Golden Rule Plaza, Inc., a tax-exempt organization;
- (2) Used as a qualified low-income housing project pursuant to a land use restriction agreement with the District of Columbia Housing Finance Agency; and

(3) Receives assistance from one or more federal Housing and Urban Development programs pursuant to section 542 of the Housing and Community Development Act of 1992, approved October 28, 1992 (106 Stat. 3794; 12 U.S.C. § 1715z-22) (“Section 542 Program”).

(b) The real property, described as lots 33 through 36 in square 5734 and lots 42 through 44 in square 5835, shall be exempt from real property taxation for a period of 15 years so long as the property is:

(1) Owned by Wagner Gainesville, LP and controlled by its general partner, The Non-Profit Community Development Corporation Housing Development, Inc., a tax-exempt organization (“NPCDC”); and

(2) Used as a qualified low-income housing project pursuant to an indenture of restrictive covenants with the Department of Housing and Community Development.

(c) The real property, described as lot 166 in square 5778, shall be exempt from real property taxation for a period of 15 years so long as the property is:

(1) Owned by 1728 W Street LP, and controlled by its general partner the Non-Profit Community Development Corporation of Washington, D.C., Inc., a tax-exempt organization; and

(2) Used as a qualified low-income housing project pursuant to an indenture of restrictive covenants with the Department of Housing and Community Development.

(d) The real property, described as lots 38 through 44 in square 5894 and

lots 69 through 72 in square 5895 in the District of Columbia, shall be exempt from real property taxation for a period of 15 years so long as the property is:

- (1) Owned by Douglass Knoll Cooperative Limited Partnership and controlled by its general partner NPCDC Housing Development, Inc., an organization solely owned and controlled by the Community Development Corporation, a tax-exempt organization;
- (2) Used as a qualified low-income housing project pursuant to a restrictive land use agreement with the Housing Finance Agency; and
- (3) Receives assistance from a Section 542 program.

(Apr. 12, 2005, D.C. Law 15-336, § 2(b), 52 DCR 2036; Apr. 7, 2006, D.C. Law 16-91, § 103(c), 52 DCR 10637; Mar. 2, 2007, D.C. Law 16-191, § 109(c), 53 DCR 6794.)

**Effect of amendments.** — D.C. Law 16-91, in par. (a)(1), substituted “Golden Rule Plaza” for “Golden Rule Place”.

D.C. Law 16-191, in the section heading and subsec. (b), substituted “lots 33” for “lots 34”.

**Temporary Amendment of Section.** — Section 2(c) of D.C. Law 16-7, in subsec. (a)(1), substituted “Golden Rule Plaza” for “Golden Rule Place”.

Section 6(b) of D.C. Law 16-7 provided that the act shall expire after 225 days of its having taken effect.

Section 2(e) of D.C. Law 16-102 substituted “lots 33” for “lots 34”; and in par. (a)(1), substituted “Golden Rule Plaza” for “Golden Rule Place”.

Section 11(b) of D.C. Law 16-102 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2(c) of Finance and Revenue Technical Corrections Emergency Amendment Act of 2005 (D.C. Act 16-51, March 17, 2005, 52 DCR 3164).

For temporary (90 day) amendment of section, see § 2(e) of Finance and Revenue Technical Amendments Emergency Amendment Act of 2006 (D.C. Act 16-260, January 26, 2006, 53 DCR 780).

For temporary (90 day) amendment of section, see § 2(e) of Finance and Revenue Tech-

nical Amendments Congressional Review Emergency Amendment Act of 2006 (D.C. Act 16-361, April 26, 2006, 53 DCR 3619).

For temporary (90 day) amendment of section, see § 25(c) of Finance and Revenue Technical Amendments Second Emergency Amendment Act of 2006 (D.C. Act 16-585, December 28, 2006, 54 DCR 340).

**Legislative history of Law 15-336.** — Law 15-336, the “Douglass Knoll, Golden Rule, 1728 W Street, and Wagner Gainesville Real Property Tax Exemption Act of 2004”, was introduced in Council and assigned Bill No. 15-1034 which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on December 7, 2004, and December 21, 2004, respectively. Signed by the Mayor on January 19, 2005, it was assigned Act No. 15-750 and transmitted to both Houses of Congress for its review. D.C. Law 15-336 became effective on April 12, 2005.

**Legislative history of Law 16-91.** — For Law 16-91, see notes following § 47-857.04.

**Legislative history of Law 16-191.** — For Law 16-191, see notes following § 47-308.02.

**Effective date.** — Section 3 of D.C. Law 15-336 provided: “Section 2 shall apply as of April 1, 2004.”

Section 109(f) of D.C. Law 16-191 provided: “Subsections (b) and (c) of this section shall apply as of April 1, 2004.”

## § 47-1066. The Catholic University of America’s Soldiers and Airmen’s Home, parcel No. 121/29.

The Catholic University of America’s Soldiers’ and Airmen’s Home, parcel No. 121/29, located in the Northeast quadrant of the District of Columbia and comprising approximately 49 acres of land generally bounded by North Capitol Street, Irving Street, Michigan Avenue, Harewood Road, and the Pope John Paul II Cultural Center, together with the improvements thereon and owned by The Catholic University of America, shall be exempt from all taxation so long as it is owned and planned for use by, or actually used by, The Catholic



University of America for its purposes and activities, and is not used for commercial purposes, subject to the provisions of §§ 47-1005, 47-1007, and 47-1009, as if the exemption were granted administratively.

(Oct. 20, 2005, D.C. Law 16-33, § 1162(b), 52 DCR 7503.)

**Emergency legislation.** — For temporary (90 day) addition of section, see § 1162(b) of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Short title.** — Short title of subtitle U of title I of Law 16-33: Section 1161 of D.C. Law 16-33 provided that subtitle U of title I of the act may be cited as the Catholic University of America Real Property Tax Exemption and Equitable Real Property Tax Relief Act of 2005.

**§ 47-1067. Way of the Cross Church of Christ; lots 918, 7, 9, 11, 118, 119, 120, 121, 122, 123, 124, 125, 126, 800, 801, 861, 863, 865, 867, 869, and 871 in square 5730.**

The real property located at square 5730, lots 918, 7, 9, 11, 118, 119, 120, 121, 122, 123, 124, 125, 126, 800, 801, 861, 863, 865, 867, 869, and 871, shall be exempt from all taxation so long as the property is owned by the Way of the Cross Church of Christ and the property located on square 5730, lot 918 is used as the principal residence of the pastor of the church.

(Oct. 20, 2005, D.C. Law 16-33, § 1192(b), 52 DCR 7503.)

**Emergency legislation.** — For temporary (90 day) addition of section, see § 1192(b) of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Short title.** — Short title of subtitle X of title I of Law 16-33: Section 1191 of D.C. Law 16-33 provided that subtitle X of title I of the act may be cited as the Way of the Cross Church of Christ Real Property Tax Exemption and Equitable Real Property Tax Relief Act of 2005.

**§ 47-1068. Appalachian State University, lot 42 in square 871.**

The property located in the Southeast quadrant of the District of Columbia and described as lot 42 in square 871, comprising land located adjacent to North Carolina Avenue, S.E., together with the improvements thereon and owned by The Board of Trustees of the Endowment Fund of Appalachian State University, shall be exempt from all taxation so long as it is owned by The Board of Trustees of the Endowment Fund of Appalachian State University and planned for use by the Appalachian State University for its purposes and activities, and is not used for commercial purposes, subject to the provisions of §§ 47-1005, 47-1007, and 47-1009.

(Oct. 20, 2005, D.C. Law 16-33, § 1202(b), 52 DCR 7503.)

**Emergency legislation.** — For temporary (90 day) addition, see § 1202(b) of Fiscal Year

2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Short title.** — Short title of subtitle Y of title I of Law 16-33: Section 1201 of D.C. Law 16-33

provided that subtitle Y of title I of the act may be cited as the Appalachian State University Real Property Tax Exemption and Equitable Real Property Tax Relief Act of 2005.

## § 47-1069. American Psychological Association, lot 146, square 677.

The real estate described for assessment and taxation purposes as lot 146, square 677, in the District of Columbia, and the buildings located thereon, owned by APA 750 LLC, a wholly-owned subsidiary of the American Psychological Association, a District of Columbia nonprofit corporation, is hereby exempt from taxation for that portion of property owned by APA 750 LLC and occupied and used by the American Psychological Association to the extent that the property continues to be so owned and occupied, and not used for commercial purposes, subject to the provisions of §§ 47-1007 and 47-1009.

(Oct. 20, 2005, D.C. Law 16-33, § 1222(b), 52 DCR 7503.)

**Emergency legislation.** — For temporary (90 day) addition of section, see § 1222(b) of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Short title.** — Short title of subtitle AA of title I of Law 16-33: Section 1221 of D.C. Law 16-33 provided that subtitle AA of title I of the act may be cited as the American Psychological Association Partial Real Property Tax Exemption Continuation Act of 2005.

## § 47-1070. Walter Reed military housing.

Certain real property, described as parcels 319/2, 319/3, and 319/4, at the Walter Reed U.S. Army Medical Center, together with the improvements thereon and any future improvements constructed thereon, shall be exempt from all taxation, including ordinary and special taxes and use or possessory interest taxes, on real property or the use thereof, so long as the property is used for the purposes of housing military personnel or their families, as contemplated by 10 U.S.C. §§ 2871 through 2885, subject to the provisions of §§ 47-1005, 47-1007, and 47-1009. The transfer of a leasehold or fee interest in the property, or the improvements thereon, from the United States of America, or any branch of the U.S. military; the recordation of any lease, deed, deed of trust, other security instrument, or financing used for the improvement or construction of military housing; and the transfer from any entity to the United States government, or any branch of the U.S. military, shall be exempt from all transfer and recordation taxes of or imposed by the District of Columbia.

(Dec. 10, 2005, D.C. Law 16-36, § 2(b), 52 DCR 9059.)

**Temporary Addition of Section.** — For Temporary (225 day) addition, see § 2 of Walter Reed Property Tax Exemption Reconfirmation Temporary Act of 2004 (D.C. Law 15-197, December 7, 2004, law notification 52 DCR 441).

**Emergency legislation.** — For temporary

(90 day) addition, see § 2(b) of Walter Reed Property Tax Exemption Reconfirmation Emergency Act of 2004 (D.C. Act 15-447, June 23, 2004, 51 DCR 6562).

For temporary (90 day) addition, see § 2(b) of Walter Reed Property tax Exemption Reconfir-



mation Congressional Review Emergency Act of 2004 (D.C. Act 15-629, November 30, 2004, 52 DCR 1141).

For temporary (90 day) addition, see § 2(b) of Walter Reed Property Tax Exemption Reconfirmation Emergency Act of 2005 (D.C. Act 16-144, July 26, 2005, 52 DCR 7181).

For temporary (90 day) addition, see § 2(b) of Walter Reed Property Tax Exemption Reconfirmation Congressional Review Emergency Act of 2005 (D.C. Act 16-185, October 28, 2005, 52 DCR 10010).

**Legislative history of Law 16-36.** — Law 16-36, the “Walter Reed Property Tax Exem-

tion Reconfirmation Act of 2005”, was introduced in Council and assigned Bill No. 16-143 which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on July 6, 2005, and September 20, 2005, respectively. Signed by the Mayor on October 4, 2005, it was assigned Act No. 16-170 and transmitted to both Houses of Congress for its review. D.C. Law 16-36 became effective on December 10, 2005.

**Mayor’s Orders.** — Walter Reed Local Re-development Authority, see Mayor’s Order 2006-21, February 15, 2006 (53 DCR 2722).

### **§ 47-1071. National Community Reinvestment Coalition; lot 20, square 222.**

The real estate described for assessment and taxation purposes as lot 20, square 222, in the District of Columbia, and the buildings located thereon, owned by National Community Reinvestment Coalition, Inc., a District of Columbia nonprofit corporation, is hereby exempt from taxation for that portion of property owned by the National Community Reinvestment Coalition and occupied and used by the National Community Reinvestment Coalition or its nonprofit tenants to the extent that the property continues to be so owned and occupied, and not used for commercial purposes, subject to the provisions of §§ 47-1007 and 47-1009.

(Mar. 8, 2006, D.C. Law 16-60, § 2(b), 53 DCR 19.)

### **§ 47-1072. New Columbia Community Land Trust; lots 803, 804, 805, 806, 807, and 808 in square 4110.**

(a) The real property located at lots 803, 804, 805, 806, 807, and 808 in square 4110 shall be exempt from taxation so long as the property is owned by the New Columbia Community Land Trust and the property is used as a public park.

(b)(1) The Council orders that all unpaid real property taxes, interest, penalties, fees, and other related charges assessed against real property located at lots 803, 804, 805, 806, 807, and 808 in square 4110, shall be forgiven; provided, that if the property is used or sold for any purpose other than as a public park or for the provision of affordable housing, the sum of all such unpaid real property tax and penalties and all real property taxes accruing thereafter, plus 5% interest, shall be paid to the District of Columbia from the proceeds from the sale; provided further, that this subsection shall constitute a lien against the real property to secure the repayment of such amounts.

(2) For the purposes of this subsection, the term “affordable housing” means residential real property provided under the standards of any affordable housing program in the District of Columbia.

(c) The exemption under this section shall be subject to the provisions of §§ 47-1007 and 47-1009.

(June 16, 2006, D.C. Law 16-131, § 2(b), 53 DCR 4725.)

**Temporary Addition of Section.** — Section 2(b) of D.C. Law 16-75 added § 47-1071 to read as follows: “§ 47-1071. New Columbia Community Land Trust; lots 803, 804, 805, 806, 807, and 808 in square 4110.

“(a) The real property located at lots 803, 804, 805, 806, 807, and 808 in square 4110 shall be exempt from taxation so long as the property is owned by the New Columbia Community Land Trust and the property is used as a public green space.

“(b) The Council orders that all unpaid real property taxes, interest, penalties, fees, and other related charges assessed against real property located at lots 803, 804, 805, 806, 807, and 808 in square 4110, shall be forgiven; provided, that if the property is used or sold for any purpose other than the provision of affordable housing, the sum of all such unpaid real property tax and penalties and all real property taxes accruing thereafter, plus 5% interest, shall be paid to the District of Columbia out of the proceeds from the sale.”

Section 6(b) of D.C. Law 16-75 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) addition, see § 2(b) of New Columbia Community Land Trust 22nd and Channing Streets, N.E. Tax Exemption Emergency Act of 2005 (D.C. Act 16-243, December 22, 2005, 53 DCR 266).

For temporary (90 day) addition, see § 2(b) of New Columbia Community Land Trust 20th and Channing Streets, N.E. Tax Exemption Congressional Review Emergency Act of 2006 (D.C. Act 16-328, March 23, 2006, 53 DCR 2585).

For temporary (90 day) additions, see § 1072(b) of Fiscal Year 2007 Budget Support Emergency Act of 2006 (D.C. Act 16-477, August 8, 2006, 53 DCR 7068).

**Legislative history of Law 16-131.** — Law 16-131, the “New Columbia Community Land Trust 20th and Channing Streets, N.E. Tax Exemption Act of 2006”, was introduced in Council and assigned Bill No. 16-558 which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on March 7, 2006, and April 4, 2006, respectively. Signed by the Mayor on April 21, 2006, it was assigned Act No. 16-349 and transmitted to both Houses of Congress for its review. D.C. Law 16-131 became effective on June 16, 2006.

**Editor’s notes.** — Section 3 of D.C. Law 16-131 provided:

“Sec. 3. The Office of the Chief Financial Officer shall include the fiscal effect of this act in its February 15, 2006 revenue estimates, subject to the priorities in section 1042 of the Fiscal Year 2006 Budget Support Act of 2005, effective October 20, 2005 (D.C. Law 16-33; 52 DCR 7503).”

Applicability of D.C. Law 16-131: Section 4 of D.C. Law 16-131, as amended by D.C. Law 17-219, § 7076, provided:

“Sec. 4. Applicability. This act shall take effect subject to:

“(1) Repealed.

“(2) The payment by the New Columbia Community Land Trust of all legal and administrative costs of the purchaser at tax sale of the property located at lots 803, 804, 805, 806, 807, and 808 in square 4110 from the tax sale of the property.”

## § 47-1073. Triangle Community Garden; lot 58, square 1966.

(a) The real property located at lot 58, square 1966 shall be exempt from taxation so long as the real property is used as a community garden.

(b) The Council orders that all unpaid real property taxes, interest, penalties, fees, and other related charges assessed against real property located at lot 58, square 1966, shall be forgiven and the amount necessary to redeem the real property under § 47-1361(a)(1) shall be deposited with the Chief Financial Officer on behalf of the owner; provided, that all other amounts necessary to redeem the real property under § 47-1361 are paid from any source to the Chief Financial Officer on behalf of the owner; provided further, that if the real property is used for any purpose other than as a community garden, the sum of all such unpaid real property tax and penalties and all real property taxes accruing thereafter, plus 5% interest, shall be paid to the District of Columbia;



provided further, that this subsection shall constitute a lien against the real property to secure the repayment of such amounts.

(Sept. 19, 2006, D.C. Law 16-153, § 2(b), 53 DCR 5373.)

**Temporary Addition of Section.** — Section 2(b) of D.C. Law 16-135 added § 47-1074 to read as follows:

“§ 47-1074. Triangle Community Garden; lot 58, square 1966.

“(a) The real property located at lot 58, square 1966 shall be exempt from taxation so long as the real property is used as a community garden.

“(b)(1) The Council orders that all unpaid real property taxes, interest, penalties, fees, and other related charges assessed against real property located at lot 58, square 1966, shall be forgiven and the amount necessary to redeem the real property under § 47-1361(a)(1) shall be deposited with the Chief Financial Officer on behalf of the owner; provided, that all other amounts necessary to redeem the real property under § 47-1361 are paid from any source to the Chief Financial Officer on behalf of the owner; provided further, that if the real property is used for any purpose other than as a community garden, the sum of all such unpaid real property tax and penalties and all real property taxes accruing thereafter, plus 5% interest, shall be paid to the District of Columbia; provided further, that this subsection shall

constitute a lien against the real property to secure the repayment of such amounts.

“(2) Any person who uses the real property as a community garden shall have standing to redeem the real property on behalf of the owner.”

Section 6(b) of D.C. Law 16-135 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) addition, see §§ 2(b), 3 of Triangle Community Garden Equitable Real Property Tax Exemption and Relief Act of 2006 (D.C. Act 16-330, March 23, 2006, 53 DCR 2589).

**Legislative history of Law 16-153.** — Law 16-153, the “Triangle Community Garden Equitable Real Estate Property Tax Exemption and Relief Act of 2006”, was introduced in Council and assigned Bill No. 16-647 which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on May 2, 2006, and June 6, 2006, respectively. Signed by the Mayor on June 26, 2006, it was assigned Act No. 16-394 and transmitted to both Houses of Congress for its review. D.C. Law 16-153 became effective on September 19, 2006.

## § 47-1074. Theatre Downtown, Inc.; lot 26, square 406.

The portion of real property located at lot 26, square 406 and leased to the Theatre Downtown, Inc., is hereby exempt from real property taxation so long as it is leased to the Theatre Downtown, Inc., and used for the purpose of producing and staging live theatre performances; provided, that the benefit of this exemption shall be passed on to the Theatre Downtown, Inc.

(Sept. 29, 2006, D.C. Law 16-172, § 2(b), 53 DCR 6432.)

**Emergency legislation.** — For temporary (90 day) addition, see § 1072(b) of Fiscal Year 2007 Budget Support Emergency Act of 2006 (D.C. Act 16-477, August 8, 2006, 53 DCR 7068).

For temporary (90 day) addition, see § 1072(b) of Fiscal Year 2007 Budget Support Congressional Review Emergency Act of 2006 (D.C. Act 16-499, October 23, 2006, 53 DCR 8845).

For temporary (90 day) addition, see § 1072(b) of Fiscal Year 2007 Budget Support Congressional Review Emergency Act of 2007 (D.C. Act 17-1, January 16, 2007, 54 DCR 1165).

**Legislative history of Law 16-172.** — Law 16-172, the “Washington Stage Guild Tax Ex-

emption Act of 2006”, was introduced in Council and assigned Bill No. 16-758 which was referred to the Committee of Finance and Revenue. The Bill was adopted on first and second readings on June 6, 2006, and July 11, 2006, respectively. Signed by the Mayor on July 18, 2006, it was assigned Act No. 16-441 and transmitted to both Houses of Congress for its review. D.C. Law 16-172 became effective on September 29, 2006.

**Editor's notes.** — Section 3 of D.C. Law 16-172, as amended by D.C. Law 17-219, § 7081, provided:

“Sec. 3. Applicability; conditional effect.

“(a) Section 2 shall apply as of the date of execution of the lease for the real property by Theatre Downtown, Inc.

“(b) Repealed.

“(c) Repealed.”

**§ 47-1075. Far Southeast Community Organization; lots 73, 74, and 75 in square 5753.**

(a) For the purposes of this section, the term “inclusive housing” means a housing development in which all units are rented to occupying households with not more than 80% of area median income (adjusted for household size) for a rent not exceeding 30% of household income as such amounts are determined by the United States Department of Housing and Urban Development.

(b) The real property located at lots 73, 74, and 75, square 5753, shall be exempt from taxation so long as the property is owned by Far Southeast Community Organization and the property is used for inclusive housing. If the real property is sold or is not used for the purpose of inclusive housing, the exemption shall terminate as of the beginning of the year in which the sale or non-compliant use occurred; provided, that if the real property ceases to be used for the purpose of inclusive housing less than 15 years after the effective date of this section [March 14, 2007]:

(1) The exemption shall terminate as of the effective date of this section [March 14, 2007] and the amount of taxes exempted under this section shall become due; and

(2) This subsection shall constitute a lien against the property to secure the repayment of such amount, plus interest accruing thereon.

(Mar. 2, 2007, D.C. Law 16-192, § 1072(b), 53 DCR 6899; Mar. 25, 2009, D.C. Law 17-353, §§ 133, 170(c), 254(b), 56 DCR 1117.)

**Effect of amendments.** — D.C. Law 17-353 validated a previously made technical correction in the section designation.

**Temporary Addition of Section.** — Section 2 of D.C. Law 16-157, as amended by section 13(b) of D.C. Law 16-294, added § 47-1074 to read as follows:

“§ 47-1074. Far Southeast Community Organization; lots 73, 74, and 75, square 5753.

“(a) For the purposes of this section, the term “inclusive housing” means a housing development in which units are rented to occupying households with not more than 80% of area median income (adjusted for household size) for a rent not exceeding 30% of household income as such amounts are determined by the United States Department of Housing and Urban Development.

“(b) The real property located at lots 73, 74, and 75, square 5753, shall be exempt from taxation so long as the property is owned by Far Southeast Community Organization and the property is used for inclusive housing. If the real property is sold or is not used for the purpose of inclusive housing, the exemption shall terminate as of the beginning of the year

in which the sale or non-compliant use occurred.”

Section 6(b) of D.C. Law 16-157 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) addition, see § 2(b) of Far Southeast Community Organization Tax Exemption and Forgiveness for Accrued Taxes Exemption and Relief Act of 2006 (D.C. Act 16-372, May 19, 2006, 53 DCR 4384).

For temporary (90 day) addition, see § 2(b) of Far Southeast Community Organization Tax Exemption and Forgiveness for Accrued Taxes Congressional Review Emergency Act of 2006 (D.C. Act 16-449, July 21, 2006, 53 DCR 6491).

**Legislative history of Law 16-192.** — For Law 16-192, see notes following § 47-340.23.

**Legislative history of Law 17-353.** — For Law 17-353, see notes following § 47-308.

**Short title.** — Short title: Section 1071 of D.C. Law 16-192 provided that subtitle G of title I of the act may be cited as the “Far Southeast Community Organization Tax Exemption and Forgiveness for Accrued Taxes Act of 2006”.



### § 47-1076. **Heurich House Foundation; Lot 79, Square 115. [Not funded].**

(a) Subject to the provisions of subsection (b) of this section, the real property (and the historic furniture, furnishings, and other personal property located thereon), described as Lot 79, Square 115, and owned by the Heurich House Foundation, a District nonprofit corporation, shall be exempt from taxation by the District of Columbia so long as:

(1) The real property is owned by the Heurich House Foundation and is used for carrying on its purposes and activities as a historic house museum and promoting the house as an interpretive and educational vehicle for a variety of aspects of life in Washington, D.C. during the late 19th and 20th centuries, subject to paragraph (2)(B) of this subsection, and is not used for any commercial purposes except as provided in subsection (b) of this section; and

(2) The improvements on the real property are:

[Not funded].

(A) Maintained by the Heurich House Foundation as a historical building to be preserved for its architectural and historic significance; and

(B) Accessible to the general public for payment of a reasonable fee at such reasonable hours and under such conditions as may, from time to time, be prescribed by the Heurich House Foundation.

(b) Section 47-1005 shall apply with respect to the property made exempt from taxation by this section; provided, that a portion of the property may be rented out to another person or entity as long as the rent or other income generated shall be used for the maintenance and preservation of the historic property.

(c) The Heurich House Foundation shall make the reports required by § 47-1007 and shall have appeal rights provided by § 47-1009.

(Jan. 29, 2008, D.C. Law 17-88, § 2(b), 54 DCR 11916.)

**Emergency legislation.** — For temporary (90 day) addition, see § 2(b) of Heurich House Foundation Real Property Tax Exemption and Equitable Real Property Tax Relief Emergency Act of 2008 (D.C. Act 17-267, January 24, 2008, 55 DCR 1496).

**Legislative history of Law 17-88.** — Law 17-88, the “Heurich House Foundation Real Property Tax Exemption and Equitable Real Property Tax Relief Act of 2007”, was introduced in Council and assigned Bill No. 17-143 which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on October 23, 2007, and November 6, 2007, respectively. Signed by

the Mayor on November 27, 2007, it was assigned Act No. 17-206 and transmitted to both Houses of Congress for its review. D.C. Law 17-88 became effective on January 29, 2008.

**Editor’s notes.** — Section 4 of D.C. Law 17-88 provided that this act shall apply upon the inclusion of its fiscal effect in an approved budget and financial plan.

The Budget Director of the Council of the District of Columbia has determined, as of February 15, 2012, that the fiscal effect of Law 17-88 has not been included in an approved budget and financial plan. Therefore, the provisions of this section, enacted by Law 17-88, are not in effect.

### § 47-1077. **Tregaron Conservancy, Lots 849 and 857, Square 2084.**

The real property described as Lots 849 and 857, Square 2084, shall be exempt from real property taxation so long as:

(1) The real property is owned by the Tregaron Conservancy, a District corporation which is exempt from federal taxes, and is used solely to further its tax-exempt purposes;

(2) The real property is not improved further (except as necessary for maintenance), is maintained as open space and parkland in a manner consistent with the real property's historical significance, and is reasonably accessible to the general public without charge or payment of a fee of any kind; and

(3) All reports required by § 47-1007 are properly made by the Tregaron Conservancy.

(Mar. 20, 2008, D.C. Law 17-119, § 2(b), 55 DCR 1473; Apr. 8, 2011, D.C. Law 18-370, § 742(b), 58 DCR 1008.)

**Effect of amendments.** — D.C. Law 18-370 rewrote the section heading which had read: "Tregaron Conservancy, Tregaron Limited Partnership, and Washington International School, Lots 842 and 843, Square 2084"; and substituted "The real property described as Lots 849 and 857, Square 2084" for "The portion of real property described as Lots 842 and 843 (formerly Lot 839), Square 2084, which will be transferred from Tregaron Limited Partnership to Tregaron Conservancy,".

**Temporary Amendment of Section.** — Section 2(b) of D.C. Law 18-170 rewrote the section heading to read as follows: "§ 47-1077. Tregaron Conservancy, Lots 849 and 857, Square 2084."; and substituted "The real property described as Lots 849 and 857, Square 2084," for "The portion of real property described as Lots 842 and 843 (formerly Lot 839), Square 2084, which will be transferred from Tregaron Limited Partnership to Tregaron Conservancy,".

Section 4(b) of D.C. Law 18-170 provided that the act shall expire after 225 days of its having taken effect.

**Temporary Addition of Section.** — Section 2(b) of Law 17-54 added § 47-1076 to read as follows:

"§ 47-1076. Tregaron Conservancy, lots 842 and 843 in square 2084.

"The portion of real property described as lots 842 and 843 (formerly lot 839) in square 2084, which will be transferred from Tregaron Limited Partnership to Tregaron Conservancy, shall be exempt from real property taxation so long as the real property:

"(1) Is owned by the Tregaron Conservancy, a District corporation which is exempt from federal taxes and is used solely to further its tax-exempt purposes; and

"(2) Remains unimproved (except as necessary for maintenance), is maintained as open space and parkland in a manner consistent with the real property's historical significance, and is reasonably accessible to the general

public without charge or payment of a fee of any kind."

Section 5(b) of D.C. Law 17-54 provided that the act shall expire after 225 days of its having taken effect.

Section 2(b) of D.C. Law 17-99 added § 47-1077 to read as follows:

"§ 47-1077. Building Hope; Lot 802, Square 5357.

"(a) The real property, described as Lot 802, Square 5357 in the District of Columbia, is exempt from real property and recordation and transfer taxes for the period from August 21, 2006 through March 22, 2007, the period in which the property was owned by Building Hope, an organization that provides funding for public charter school facilities in the District.

"(b) All real property and transfer and recordation taxes, along with any interest, penalties, fees, and other related charges, assessed against the real property described as Lot 802, Square 5357 for the period of August 21, 2006, through March 22, 2007, shall be forgiven, and any payments made for these purposes during this period shall be refunded to the payer."

Section 5(b) of D.C. Law 17-99 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) addition, see § 2(b) of Tregaron Conservancy Tax Exemption and Relief Emergency Act of 2007 (D.C. Act 17-110, July 27, 2007, 54 DCR 8225).

For temporary (90 day) addition, see § 2(b) of Building Hope Real Property Tax Exemption and Equitable Property Tax Relief Emergency Act of 2007 (D.C. Act 17-159, October 18, 2007, 54 DCR 10928).

For temporary (90 day) addition, see § 2(b) of Building Hope Real Property Tax Exemption and Equitable Property Tax Relief Congressional Review Emergency Amendment Act of 2008 (D.C. Act 17-254, January 23, 2008, 55 DCR 1268).

For temporary (90 day) addition, see §§ 2(b) and 3 of Building Hope Real Property Tax



Exemption and Equitable Real Property Tax Relief Congressional Review Emergency Act of 2008 (D.C. Act 17-434, July 16, 2008, 55 DCR 8266).

For temporary (90 day) addition, see § 2(b) of Tregaron Conservancy Clarification Emergency Act of 2010 (D.C. Act 18-344, March 22, 2010, 57 DCR 2856).

For temporary (90 day) amendment of section, see § 742(b) of Fiscal Year 2011 Supplemental Budget Support Emergency Act of 2010 (D.C. Act 18-694, January 19, 2011, 58 DCR 662).

**Legislative history of Law 17-119.** — Law 17-119, the “Tregaron Conservancy Tax Exemption and Relief Act of 2008”, was introduced in Council and assigned Bill No. 17-342 which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on December 11, 2007, and January 8, 2008, respectively. Signed by the Mayor on January 24, 2008, it was assigned Act No. 17-263 and transmitted to both Houses of Congress for its review. D.C. Law 17-119 became effective on March 20, 2008.

**Legislative history of Law 18-370.** — For

history of Law 18-370, see notes under § 47-143.

**Short title.** — Short title: Section 741 of D.C. Law 18-370 provided that subtitle E of title VII of the act may be cited as “Tregaron Conservancy Tax Exemption Clarification Act of 2010”.

**Editor’s notes.** — Sections 3 and 5 of D.C. Law 17-119 provided:

“Sec. 3. Transfer exempt from transfer and recordation taxes.

“The conveyance of the real property in Lots 842 and 843 (formerly Lot 839), Square 2084 from Tregaron Limited Partnership to Tregaron Conservancy and the Washington International School shall be exempt from the tax imposed by section 303 of the District of Columbia Recordation Tax Act, approved March 2, 1962 (76 Stat. 11; D.C. Official Code § 42-1103), and D.C. Official Code § 47-903.”

“Sec. 5. Inclusion in the budget and financial plan.

“This act shall apply upon the inclusion of its fiscal effect in an approved budget and financial plan or a revised revenue estimate certified by the Chief Financial Officer.”

## § 47-1078. SOME, Inc., and Affiliates Property Tax Exemption.

(a)(1) The real properties listed in paragraph (2) of this subsection and owned by SOME, Inc., Affordable Housing Opportunities, Inc., or by an entity controlled, directly or indirectly, by SOME, Inc., or Affordable Housing Opportunities, Inc., shall be exempt from real property taxation, effective as of the dates stated in paragraph (2) of this subsection, so long as:

(A) The real property continues to be used in accordance with the application for property tax exemption filed for that particular property;

(B) The owner continues to be SOME, Inc., or Affordable Housing Opportunities, Inc., or an entity controlled, directly or indirectly, by SOME, Inc., or Affordable Housing Opportunities, Inc.; or

(C)(i) The owner is any entity, for-profit or nonprofit; and

(ii) The real property continues to be under applicable use restrictions during a:

(I) Federal low-income housing tax credit compliance period; or

(II) Department of Housing and Community Development compliance period.

(2) The following real properties shall be exempt from real property taxation in accordance with paragraph (1) of this subsection:

(A) Lot 811, Square 3567, located at 1876 4th Street, N.E., effective August 1, 2006;

(B) Lot 812, Square 3567, located at 1876 4th Street, N.E., effective August 1, 2006;

(C) Lot 33, Square 5322, located at 360 50th Street, S.E., effective June 1, 2007;

(D) Lot 34, Square 5322, located at 350 50th Street, S.E., effective June 1, 2007;

(E) Parcel 2180096, Square 5616, located at 1701 19th Street, S.E., effective April 1, 2006;

(F) Lot 815, Square 5637, located at 2810-2872 Texas Avenue, S.E., effective June 1, 2007;

(G) Lot 47, Square 5760, located at 2125 18th Street, S.E., effective July 1, 2005;

(H) Lot 894, Square 5765, located at 1667 Good Hope Road, S.E., effective January 1, 2007;

(I) Lot 811, Square 6129, located at 3828—3830 South Capitol Street, S.E., effective June 1, 2007;

(J) Lot 822, Square 6164, located at 740 Barnaby Street, S.E., effective March 1, 2007; and

(K) Lots 2086—2127, Square 6164, located at 730—736 Chesapeake Street, S.E., effective November 1, 2007.

(b) The properties contained in this section shall make the annual reports required by § 47-1007.

(c) The conveyance of any of the properties described in subsection (a) of this section to SOME, Inc., Affordable Housing Opportunities, Inc. or an entity controlled, directly or indirectly, by either of them shall be exempt from the tax imposed by Chapter 11 of Title 42, and the transfer of any of the properties described in subsection (a) of this section by SOME, Inc., Affordable Housing Opportunities, Inc., or an entity controlled, directly or indirectly, by either of them shall be exempt from the tax imposed by Chapter 9 of Title 47 of the District of Columbia Official Code.

(July 18, 2008, D.C. Law 17-185, § 2(b), 55 DCR 6104; Aug. 6, 2010, D.C. Law 18-212, § 2(b), 57 DCR 4953; Sept. 14, 2011, D.C. Law 19-21, § 7092(a), 58 DCR 6226.)

**Effect of amendments.** — D.C. Law 18-212, in the section heading, substituted “SOME, Inc.” for “So Others Might Eat, Inc.”; and rewrote subsec. (a).

D.C. Law 19-21 added subsec. (c).

**Temporary Amendment of Section.** — Section 2(b) of D.C. Law 17-296 substituted “SOME, Inc.” for “So Others Might Eat, Inc.” wherever it appears; and substituted “Inc., or the property continues to be under applicable use restrictions during a federal low-income housing tax credit compliance period:” for “Inc.:”.

Section 4(b) of D.C. Law 17-296 provided that the act shall expire after 225 days of its having taken effect.

Section 2(b) of D.C. Law 18-168 substituted “SOME, Inc.” for “So Others Might Eat, Inc.” wherever it appears and substituted “Housing Opportunity, Inc., or the owner is an entity (for profit or nonprofit) and the property continues to be under applicable use restrictions during a

federal low-income housing tax credit compliance period or a Department of Housing and Community Development compliance period:” for “Housing Opportunity, Inc.:”.

Section 4(b) of D.C. Law 18-168 provided that the act shall expire after 225 days of its having taken effect.

**Temporary Addition of Section.** — Section 2(b) of D.C. Law 17-276 added a section to read as follows:

“§ 47-1079. Washington Parks & People Property Tax Exemption.

“(a) The Council of the District of Columbia orders that all real property taxes, interest, penalties, fees, and other related charges assessed against real property located at Square 2841, Lots 0841, 0847, 0848, and 0851, for the period of tax years 1998 to 2008, be forgiven, as of August 4, 2008; provided, that this property is owned and used by Washington Parks & People as a public park, which is available for use by the public, and not used for commercial purposes.



“(b) The one-time transfer of the property specified in subsection (a) of this section to Washington Parks & People shall not be subject to the recordation and transfer taxes and fees under Chapters 9 or 14 of this title.

“(c) Upon the transfer of the property described in subsection (a) of this section to Washington Parks & People, the property shall be exempt from all taxation so long as the same is used in carrying out the public purposes and activities of Washington Parks & People, and not used for commercial purposes, subject to the provisions of §§ 47-1005, 47-1007, and 47-1009.”

Section 4(b) of D.C. Law 17-276 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) addition, see § 7012(b) of Fiscal Year 2009 Budget Support Emergency Act of 2008 (D.C. Act 17-468, July 28, 2008, 55 DCR 8746).

For temporary (90 day) addition, see § 2(b) of Washington Parks & People Equitable Real Property Tax Relief Congressional Review Emergency Act of 2008 (D.C. Act 17-489, August 4, 2008, 55 DCR 9160).

For temporary (90 day) addition, see § 2(b) of Washington Parks & People Equitable Real Property Tax Relief Congressional Review Emergency Act of 2008 (D.C. Act 17-540, October 20, 2008, 55 DCR 11421).

For temporary (90 day) amendment of section, see § 2(b) of SOME, Inc. Technical Amendments Emergency Act of 2008 (D.C. Act 17-542, October 20, 2008, 55 DCR 11426).

For temporary (90 day) repeal of section 3 of D.C. Law 17-185, see § 7023 of Fiscal Year 2010 Budget Support Second Emergency Act of 2009 (D.C. Act 18-207, October 15, 2009, 56 DCR 8234).

For temporary (90 day) repeal of section 3 of D.C. Law 17-185, see § 7023 of Fiscal Year Budget Support Congressional Review Emer-

gency Amendment Act of 2009 (D.C. Act 18-260, January 4, 2010, 57 DCR 345).

For temporary (90 day) amendment of section, see § 2(b) of SOME, Inc., Technical Amendments Emergency Act of 2010 (D.C. Act 18-340, March 22, 2010, 57 DCR 2848).

**Legislative history of Law 17-185.** — Law 17-185, the “So Others Might Eat Property Tax Exemption Act of 2008”, was introduced in Council and assigned Bill No. 17-374 which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on April 1, 2008, and May 6, 2008, respectively. Signed by the Mayor on May 20, 2008, it was assigned Act No. 17-378 and transmitted to both Houses of Congress for its review. D.C. Law 17-185 became effective on July 18, 2008.

**Legislative history of Law 18-212.** — Law 18-212, the “Some, Inc., Technical Amendments Act of 2010”, was introduced in Council and assigned Bill No. 18-669, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on May 4, 2010, and May 18, 2010, respectively. Signed by the Mayor on June 7, 2010, it was assigned Act No. 18-431 and transmitted to both Houses of Congress for its review. D.C. Law 18-212 became effective on August 6, 2010.

**Legislative history of Law 19-21.** — For history of Law 19-21, see notes under § 47-305.02.

**Short title.** — Short title: Section 7091 of D.C. Law 19-21 provided that subtitle J of title VII of the act may be cited as “SOME, Inc. and Affiliates Transfer and Recordation Exemption and Equitable Tax Relief Act of 2011”.

**Editor’s notes.** — Section 3 of D.C. Law 17-185 provided: “Sec. 3. Applicability. This act shall apply upon the inclusion of its fiscal effect in an approved budget and financial plan.”

Section 7023 of D.C. Law 18-111 repealed section 3 of D.C. Law 17-185.

## § 47-1079. Golden Rule Plaza, Inc., Lots 837, 841, and 842, Square 525, and Lot 840, Square 526.

The real properties described as Lots 837, 841, and 842, Square 525, and Lot 840, Square 526, owned by Golden Rule Plaza, Inc., a nonprofit corporation, shall be exempt from all taxation for a period of 15 years so long as these real properties continue to be owned by Golden Rule Plaza, Inc., and are not used for commercial purposes, subject to the provisions of §§ 47-1005, 47-1007, and 47-1009.

(Aug. 16, 2008, D.C. Law 17-219, § 7012(b), 55 DCR 7598.)

**Emergency legislation.** — For temporary (90 day) addition, see § 2(b) of Golden Rule Plaza, Inc., Real Property Tax Exemption and

Real Property Tax Relief Emergency Act of 2007 (D.C. Act 17-177, November 5, 2007, 54 DCR 11223).

**Legislative history of Law 17-219.** — For Law 17-219, see notes following § 47-318.05a.

**Short title.** — Short title: Section 7011 of D.C. Law 17-219 provided that subtitle F of

title VII of the act may be cited as the “Golden Rule Plaza, Inc., Real Property Tax Exemption and Real Property Tax Relief Act of 2008”.

## § 47-1080. Bolling Air Force Base housing.

(a) The real property, located in Square 6072, or otherwise at the Bolling Air Force Base, together with the improvements thereon, and any future improvements constructed thereon, shall be exempt from all taxation, including ordinary and special taxes and use or possessory interest taxes, on real property or the use thereof, so long as the property is used for the purposes of housing military personnel or their families, as contemplated by 10 U.S.C. §§ 2871 through 2885, subject to the provisions of §§ 47-1005, 47-1007, and 47-1009.

(b) The following shall be exempt from all transfer and recordation taxes of, or imposed by, the District:

(1) The transfer of a leasehold or fee interest in the property, or the improvements thereon, from the United States of America, or any branch of the United States military;

(2) The recordation of any lease, deed, deed of trust, other security instrument, or financing used for the improvement or construction of military housing and related facilities; and

(3) The transfer from any entity to the United States government, or any branch of the United States military.

(Mar. 21, 2009, D.C. Law 17-338, § 2(b), 56 DCR 945.)

**Temporary Addition of Section.** — Section 2(b) of D.C. Law 17-266 added a section to read as follows:

“§ 47-1080. Bolling Air Force Base housing.

“(a) The real property, located in Square 6072, or otherwise at the Bolling Air Force Base, together with the improvements thereon, and any future improvements constructed thereon, shall be exempt from all taxation, including ordinary and special taxes and use or possessory interest taxes, on real property or the use thereof, so long as the property is used for the purposes of housing military personnel or their families, as contemplated by 10 U.S.C. §§ 2871 through 2885, subject to the provisions of §§ 47-1005, 47-1007, and 47-1009. The transfer of a leasehold or fee interest in the property, or the improvements thereon, from the United States of America, or any branch of the United States military; the recordation of any lease, deed, deed of trust, other security instrument, or financing used for the improvement or construction of military housing and related facilities; and the transfer from any entity to the United States government, or any branch of the United States military, shall be exempt from all transfer and recordation taxes of or imposed by the District of Columbia.

“(b) Real property taxes, recordation or transfer taxes, interest, penalties, fees and other related charges assessed against said real property in Square 6072, located on Bolling Air Force Base, for the period of October 1, 2007, through July 28, 2008, shall be forgiven, and any payments made for this period shall be refunded.”

Section 4(b) of D.C. Law 17-266 provided that the act shall expire after 225 days of its having taken effect.

Section 2(b) of D.C. Law 18-40 added a section to read as follows:

“§ 47-1082 CEMI-Ridgecrest, Inc.—Walter Washington Community Center, Lot 128 in Square 6159.

“(a) The real property described as Lot 128 in Square 6159, and currently owned by CEMI-Ridgecrest, Inc., a District of Columbia nonprofit corporation, shall be exempt from taxation so long as the real property is owned and maintained by a nonprofit corporation and operated as a nonprofit community center promoting cultural, educational, and social service activities for a variety of District of Columbia government entities and nonprofit community based organizations, and is not used for commercial purposes.



“(b) Section 47-1005 shall apply with respect to the real property made exempt from taxation by this section; provided, that a portion of the real property may be rented out to another person or entity as long as the rent or other income generated shall be used for the maintenance and preservation of the real property.

“(c) The nonprofit owner of the real property shall file the reports required by § 47-1007 and shall have appeal rights provided by § 47-1009.”.

Section 8(b) of D.C. Law 18-40 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) addition, see § 2(b) of Bolling Air Force Base Military Housing Real Property Tax Exemption and Equitable Tax Relief Emergency Act of 2008 (D.C. Act 17-469, July 28, 2008, 55 DCR 8759).

For temporary (90 day) addition, see § 2(b) of Bolling Air Force Base Military Housing Real Property Tax Relief Exemption and Equitable

Tax Relief Congressional Review Emergency Act of 2008 (D.C. Act 17-545, October 20, 2008, 55 DCR 11432).

For temporary (90 day) addition, see § 2(b) of Cemi-Ridgecrest, Inc. — Walter Washington Community Center Real Property Tax Exemption and Equitable Real Property Tax Relief Property Tax Exemption Emergency Act of 2009 (D.C. Act 18-73, May 11, 2009, 56 DCR 3803).

**Legislative history of Law 17-338.** — Law 17-338, the “Bolling Air Force Base Military Housing Real Property Tax Exemption and Equitable Tax Relief Act of 2008”, was introduced in Council and assigned Bill No. 17-731 which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on December 2, 2008, and December 16, 2008, respectively. Signed by the Mayor on January 6, 2009, it was assigned Act No. 17-656 and transmitted to both Houses of Congress for its review. D.C. Law 17-338 became effective on March 21, 2009.

## § 47-1081. KIPP DC — Douglass Property; Lot 950, Square 5872.

(a) The real property located at 2600-2620 Douglas Road, S.E., and described as Lot 950, Square 5872, shall be exempt from real property taxation, including possessory interests, so long as the real property continues to be owned, or occupied under a ground lease, by KIPP DC or KIPP DC — Douglass QALICB, Inc.

(b) Any transfer, assignment, or other disposition of all or any portion of the real property described in subsection (a) of this section, including an assignment of leasehold interest in the real property or a sublease of the real property, between KIPP DC and KIPP DC Douglass QALICB, Inc., shall be exempt from the tax imposed by § 42-1103 and § 47-903.

(Oct. 22, 2009, D.C. Law 18-69, § 2(b), 56 DCR 6615.)

**Temporary Addition of Section.** — Section 2(b) of D.C. Law 18-28 added § 47-1081 to read as follows:

“§ 47-1081. KIPP DC—Douglass Property; Lot 950, Square 5872.

“(a) The real property located at 2600-2620 Douglas Road, S.E., and described as Lot 950, Square 5872, shall be exempt from real property and possessory interest taxation so long as the real property continues to be owned or ground leased by KIPP DC or KIPP DC—Douglass QALICB, Inc.

“(b) Any transfer, assignment, or other disposition of all or any portion of the real property, including an assignment of a leasehold interest in the real property or a sublease of the real property, between KIPP DC and KIPP DC—Douglass QALICB, Inc., shall be exempt from recordation taxation pursuant to Chapter 11 of

Title 42 and transfer taxation pursuant to Chapter 9 of this title.”

Section 4(b) of D.C. Law 18-28 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) addition, see § 2(b) of KIPP DC — Douglass Property Tax Exemption Emergency Act of 2009 (D.C. Act 18-42, April 24, 2009, 56 DCR 3564).

**Legislative history of Law 18-69.** — Law 18-69, the “KIPP DC Douglas Property Tax Exemption Act of 2009”, as introduced in Council and assigned Bill No. 18-211, which was referred to the Committee on Finance and Revenue. The bill was adopted on first and second readings on June 30, 2009, and July 14, 2009, respectively. Signed by the Mayor on July

28, 2009, it was assigned Act No. 18-165 and transmitted to both Houses of Congress for its review. D.C. Law 18-69 became effective on October 22, 2009.

## § 47-1082. The Studio Theatre housing.

(a) Subject to subsection (b) of this section, the following real property described shall be exempt from taxation so long as the real property is owned by The Studio Theatre, Inc., a District of Columbia nonprofit corporation, is used for housing in support of the nonprofit activities of the theater, and is not used for any commercial purposes:

- (1) Lot 208, Square 155;
- (2) Lot 0094, Square 179; and
- (3) Lots 2061, 2073, 2083, 2164, 2253, and 2300, Square 157.

(b) The Studio Theatre, Inc. shall make the reports required by § 47-1007 and shall have appeal rights provided by § 47-1009.

(c) Repealed.

(d) Repealed.

(Dec. 17, 2009, D.C. Law 18-96, § 2(b), 56 DCR 8526; Sept. 24, 2010, D.C. Law 18-223, § 7003(b), 57 DCR 6242.)

**Effect of amendments.** — D.C. Law 18-223 repealed subsecs. (c) and (d), which had read as follows:

**Temporary legislation.** — “(c) Real property taxes, interest, penalties, fees, and other related charges assessed against the real properties described in subsection (a) of this section, for the period of January 1, 2005 through December 17, 2009, shall be forgiven, and any payments made for such period shall be refunded.

“(d) The tax imposed by § 42-1103 and § 47-903 and paid by The Studio Theatre, Inc., on the real properties described in subsection (a) of this section shall be forgiven, and any payments made for such period shall be refunded.”

**Emergency legislation.** — For temporary (90 day) repeal of section 3 of D.C. Law 18-96, see § 7003(a) of Fiscal Year 2011 Budget Support Emergency Act of 2010 (D.C. Act 18-463, July 2, 2010, 57 DCR 6542).

For temporary (90 day) amendment of section, see § 7003(b) of Fiscal Year 2011 Budget

Support Emergency Act of 2010 (D.C. Act 18-463, July 2, 2010, 57 DCR 6542).

**Legislative history of Law 18-96.** — Law 18-96, the “Studio Theatre Housing Property Tax Exemption and Equitable Tax Relief Act of 2009”, as introduced in Council and assigned Bill No. 18-204, which was referred to the Committee on Finance and Revenue. The bill as adopted on first and second readings on September 22, 2009, and October 6, 2009, respectively. Effective without the Mayor’s signature on October 21, 2009, it was assigned Act No. 18-223 and transmitted to both Houses of Congress for its review. D.C. Law 18-96 became effective on December 17, 2009.

**Legislative history of Law 18-223.** — For Law 18-223, see notes following § 47-355.05.

**Editor’s notes.** — Section 3 of D.C. Law 18-96 provided: “This act shall apply upon the inclusion of its fiscal effect in an approved budget and financial plan.”

Section 7003(a) of D.C. Law 18-223 repealed section 3 of D.C. Law 18-96.

## § 47-1083. Building Bridges Across the River, Inc., Lots 2 and 6, Square 5894.

The real property located at 3315 and 3321 23rd Street, S.E., Lots 2 and 6, Square 5894, owned by Building Bridges Across the River, Inc., a nonprofit corporation, shall be exempt from all taxation so long as the real property continues to be owned by Building Bridges Across the River, Inc., and is used as a community playground.

(Mar. 3, 2010, D.C. Law 18-111, § 7141(b), 57 DCR 181.)



**Emergency legislation.** — For temporary (90 day) addition, see § 7141(b) of Fiscal Year 2010 Budget Support Second Emergency Act of 2009 (D.C. Act 18-207, October 15, 2009, 56 DCR 8234).

For temporary (90 day) addition, see § 7141(b) of Fiscal Year Budget Support Congressional Review Emergency Amendment Act of 2009 (D.C. Act 18-260, January 4, 2010, 57 DCR 345).

**Legislative history of Law 18-111.** — For Law 18-111, see notes following § 47-305.02.

**Short title.** — Short title: Section 7140 of D.C. Law 18-111 provided that subtitle L of title VII of the act may be cited as the “Building Bridges Across the River, Inc. Real Property Tax Exemption and Real Property Tax Relief Act of 2009”.

## § 47-1084. Affordable Housing Opportunities, Inc. residential rental project; Lot 800, Square 5984, and Lot 916, Square 5730.

(a) The real properties described as Lot 800, Square 5984, and Lot 916, Square 5730, owned by Affordable Housing Opportunities, Inc., or by an entity controlled, directly or indirectly, by Affordable Housing Opportunities, Inc., shall be exempt from real property taxation so long as the real properties continue to be owned by Affordable Housing Opportunities, Inc., or by an entity controlled, directly or indirectly, by Affordable Housing Opportunities, Inc., or continue to be under applicable use restrictions during a federal low-income housing tax credit compliance period, and not used for commercial purposes, subject to the provisions of §§ 47-1005, 47-1007, and 47-1009.

(b) The conveyance of any of the properties described in subsection (a) of this section to Affordable housing [Housing] Opportunities, Inc. or an entity controlled, directly or indirectly, by it shall be exempt from the tax imposed by Chapter 11 of Title 42 of the District of Columbia Official Code, and the transfer of any of the properties described in subsection (a) of this section by Affordable Housing Opportunities, Inc., or an entity controlled, directly or indirectly, by it shall be exempt from the tax imposed by Chapter 9 of Title 47 of the District of Columbia Official Code.

(c) All recordation and transfer taxes, interest, penalties, fees, and other related charges assessed against Affordable Housing Opportunities, Inc., or SOME, Inc. or an entity controlled, directly or indirectly, by Affordable Housing Opportunities, Inc. or SOME, Inc. with respect to real property located at Lot 800, Square 5984, or Lot 916, Square 5730, or any of the properties described in § 47-1078(a)(2), for any conveyance or transfer prior to [September 14, 2011], shall be forgiven, and any payments already made shall be refunded.

(Mar. 23, 2010, D.C. Law 18-129, § 2(b), 57 DCR 1189; Sept. 14, 2011, D.C. Law 19-21, § 7092(b), 58 DCR 6226.)

**Effect of amendments.** — D.C. Law 19-21 designated the existing text as subsec. (a); and added subsecs. (b) and (c).

**Temporary Addition of Section.** — Section 2(b) of D.C. Law 19-72 added a section to read as follows:

“§ 47-1087. Meridian Public Charter

School—Harrison Campus Property; Lot 814, Square 235.

“(a) The real property located at 2120 13th Street, N.W., Washington, D.C., and described as Lot 814 in Square 235, shall be exempt from real property taxation, including possessory interests, so long as the real property continues

to be owned, or occupied under a ground lease, by Meridian Public Charter School or any subsidiary of Meridian Public Charter School.

“(b) Any transfer, assignment, or other disposition of all or any portion of the real property described in subsection (a) of this section, including an assignment of leasehold interest in the real property or a sublease of the real property, between Meridian Public Charter School and any subsidiary of Meridian Public Charter School, shall be exempt from the tax imposed by § 42-1103 and § 47-903.”

Section 4(b) of D.C. Law 19-72 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) repeal of section 4 of D.C. Law 18-129, see § 7004 of Fiscal Year 2011 Budget Support Emergency Act of 2010 (D.C. Act 18-463, July 2, 2010, 57 DCR 6542).

For temporary (90 day) addition of section, see § 2(b) of Meridian Public Charter School—Harrison Campus Property Tax Exemption Emergency Amendment Act of 2011 (D.C. Act 19-168, October 11, 2011, 58 DCR 8903).

**Legislative history of Law 18-129.** — Law 18-129, the “Affordable Housing Opportunities Residential Rental Project Property Tax Exemption and Equitable Real Property Tax Relief Act of 2010”, was introduced in Council and assigned Bill No. 18-281, which was referred to the Committee on Finance and Revenue. The bill was adopted on first and second readings on December 15, 2009, and January 5, 2010, respectively. Approved without signature by the Mayor on January 25, 2010, it was assigned Act No. 18-291 and transmitted to both Houses of Congress for its review. D.C. Law 18-129 became effective on March 23, 2010.

**Legislative history of Law 19-21.** — For history of Law 19-21, see notes under § 47-305.02.

**Editor’s notes.** — Section 4 of D.C. Law 18-129 provided: “Sec. 4. Applicability. This act shall apply upon the inclusion of its fiscal effect in an approved budget and financial plan.”

Section 7004 of D.C. Law 18-223 repealed section 4 of D.C. Law 18-129.

## § 47-1085. KIPP DC — Shaw Campus; Lot 163, Square 510.

(a) The real property located at 421 P Street, N.W., and described as Lot 163, Square 510 shall be exempt from real property taxation, including possessory interests, so long as the real property continues to be owned, or occupied under a ground lease, by KIPP DC, KIPP DC — Shaw QALICB, Inc., or any other subsidiary of KIPP DC.

(b) Any transfer, assignment, or other disposition of all or any portion of the real property described in subsection (a) of this section, including an assignment of leasehold interest in the real property or a sublease of the real property, between KIPP DC and KIPP DC — Shaw QALICB, Inc., or any other subsidiary of KIPP DC, shall be exempt from the tax imposed by § 42-1103 and § 47-903.

(Dec. 2, 2011, D.C. Law 19-46, § 2(b), 58 DCR 8939.)

**Temporary Addition of Section.** — Section 2 of D.C. Law 19-32 added a section to read as follows:

“§ 47-1085. KIPP DC —Shaw Campus; Lot 163, Square 510.

“(a) The real property located at 421 P Street, N.W., and described as Lot 163, Square 510 shall be exempt from real property taxation, including possessory interests, so long as the real property continues to be owned, or occupied under a ground lease, by KIPP DC or a subsidiary of KIPP DC.

“(b) Any transfer, assignment, or other disposition of all or any portion of the real property described in subsection (a) of this section, including an assignment of leasehold interest in the real property or a sublease of the real

property between KIPP DC and any subsidiary of KIPP DC, shall be exempt from the tax imposed by § 42-1103 and § 47-903.”

Section 4(b) of D.C. Law 19-32 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) addition of § 47-1085, see § 2(b) of KIPP DC—Shaw Campus Property Tax Exemption Emergency Act of 2011 (D.C. Act 19-94, July 11, 2011, 58 DCR 5816).

For temporary (90 day) addition of section, see § 2(b) of KIPP DC—Shaw Campus Property Tax Exemption Congressional Review Emergency Act of 2011 (D.C. Act 19-206, October 20, 2011, 58 DCR 9328).

**Legislative history of Law 19-46.** — Law



19-46, the “KIPP DC—Shaw Campus Property Tax Exemption Act of 2011”, was introduced in Council and assigned Bill No. 19-156, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on July 12, 2011, and Septem-

ber 20, 2011, respectively. Signed by the Mayor on October 11, 2011, it was assigned Act No. 19-176 and transmitted to both Houses of Congress for its review. D.C. Law 19-46 became effective on December 2, 2011.

### § 47-1086. United House of Prayer for All People — kitchen or feeding facilities.

(a) The portion of the following real property used for kitchen or feeding facilities shall be exempt from real property taxation so long as the real property is owned by the United House of Prayer for All People, a tax-exempt organization, and the remainder of the real property is used for its tax-exempt purposes:

- (1) Lot 0116, Square 0448, located at 601 M Street, N.W.;
- (2) Lot 0987, Square 5861, located at 1123 Howard Road, S.E.;
- (3) Lot 0168, Square 1026, located at 1314 H Street, N.E.;
- (4) Lot 0034, Square 5325, located at 215 51st Street, S.E.; and
- (5) Lot 0109, Square 0442, located at 1717 7th Street, N.W.

(b) The real property tax exemption under subsection (a) of this section shall be subject to the provisions of §§ 47-1005, 47-1007, and 47-1009.

(Dec. 2, 2011, D.C. Law 19-51, § 2(b), 58 DCR 8949.)

**Emergency legislation.** — For temporary (90 day) addition of section, see § 2(b) of Old Naval Hospital Real Property Tax Exemption Emergency Act of 2011 (D.C. Act 19-241, December 15, 2011, 58 DCR 11019).

For temporary (90 day) repeal of section 3 of D.C. Law 19-51, see § 7002 of Fiscal Year 2013 Budget Support Emergency Act of 2012 (D.C. Act 19-383, June 19, 2012, 59 DCR 7764).

For temporary (90 day) repeal of section 3 of D.C. Law 19-51, see § 7002 of Fiscal Year 2013 Budget Support Congressional Review Emergency Act of 2012 (D.C. Act 19-413, July 25, 2012, 59 DCR 9290).

**Legislative history of Law 19-51.** — Law 19-51, the “United House of Prayer for All

People Real Property Tax Exemption Act of 2011”, was introduced in Council and assigned Bill No. 19-295, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on July 12, 2011, and September 20, 2011, respectively. Signed by the Mayor on October 11, 2011, it was assigned Act No. 19-181 and transmitted to both Houses of Congress for its review. D.C. Law 19-51 became effective on December 2, 2011.

**Editor’s notes.** — Section 3 of D.C. Law 19-51 provided: “Sec. 3. Applicability. ”This act shall apply as of March 1, 2011 upon the inclusion of its fiscal effect in an approved budget and financial plan.”

### § 47-1087. Hill Center at the Old Naval Hospital; Lot 5, Square 948.

(a)(1)(A) The real property, described as Lot 5, in Square 948 (commonly known as Hill Center), and any successor lots or any assessment and taxation lots created within Lot 5, (“property”) shall be exempt for 5 years from real property, recordation, and transfer taxation imposed under this title, so long as the real property continues to be leased by the Old Naval Hospital Foundation (“ONHF”) under and according to the terms of the lease between the District of Columbia and ONHF, dated December 12, 2010, (“2010 lease”) and any holder of a possessory interest in the property shall be exempt from possessory interest taxation imposed under § 47-1005.01 for the length of the 2010 lease,

notwithstanding any sublease, license, assignment, or other conveyance of the right to use the property from ONHF to any sub-lessee, licensee, assignee, or other conveyee ("receiving entity"); provided, that the receiving entity uses the property pursuant to, and in conformance with, the use provisions of the 2010 lease and subject to the provisions of §§ 47-1007 and 47-1009; provided further, that both the special exemptions from real property tax and the possessory interest tax under this section shall expire upon the expiration of the extension described in paragraph (2) of this subsection.

(B) Upon the expiration of the extension, the property, ONHF, and the possessory interest of a receiving entity that could not qualify for a real property tax exemption under § 47-1002 were it the owner of the property shall be subject, as applicable, to § 47-1005, and ONHF, additionally, shall be subject to §§ 47-1007 and 47-1009.

(2) Notwithstanding the 5-year exemption granted in paragraph (1) of this subsection, ONHF shall be given an extension of up to 12 months; provided, that ONHF has applied for its categorical exemption from real property taxation under § 47-1002 no later than 6 weeks after the exhaustion of the tax relief under the Federal Historic Preservation Tax Credit Program.

(b) The lease, sublease, license, assignment, or other conveyance of any interest for any use of the property described in subsection (a) of this section that is not prohibited by the 2010 lease shall be exempt from recordation and transfer taxation during the period of the 5-year exemption and any extension.

(Mar. 14, 2012, D.C. Law 19-116, § 2(b), 59 DCR 467.)

**Emergency legislation.** — For temporary (90 day) addition of section, see § 2(b) of Old Naval Hospital Real Property Tax Exemption Congressional Review Emergency Act of 2012 (D.C. Act 19-337, March 30, 2012, 59 DCR 2564).

For temporary (90 day) addition of section, see § 2(b) of Meridian Public Charter School-Harrison Campus Property Tax Exemption Emergency Act of 2012 (D.C. Act 19-415, July 25, 2012, 59 DCR 9351).

**Legislative history of Law 19-116.** — Law 19-116, the "Old Naval Hospital Real Property

Tax Exemption Act of 2012", was introduced in Council and assigned Bill No. 19-519, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on December 6, 2011, and January 4, 2012, respectively. Signed by the Mayor on January 20, 2012, it was assigned Act No. 19-291 and transmitted to both Houses of Congress for its review. D.C. Law 19-116 became effective on March 14, 2012.

**Editor's notes.** — Section 4 of D.C. Law 19-116 provided: "Sec. 4. Applicability. This act shall apply as of January 1, 2011."



## CHAPTER 11. FAMILY DWELLINGS OCCUPIED BY OWNERS [REPEALED].

Sec.

47-1101 to 47-1105. [Repealed].

**§ 47-1101. Taxes and assessments — Annual statement to owner; installment payments; interest. [Repealed].**

Repealed.

(Feb. 28, 1933, 47 Stat. 1347, ch. 130, § 1; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 504(d), 48 DCR 334; Oct. 3, 2001, D.C. Law 14-28, § 2002(i), 48 DCR 6981.)

**Prior Codifications.** — 1981 Ed., § 47-1101.

1973 Ed., § 47-901.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 4(e) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Temporary Repeal of Section** For temporary (225 day) repeal of section, see § 2(i) of Real Property Tax Assessment Transition Temporary Act of 2001 (D.C. Law 14-23, September 6, 2001, law notification 48 DCR 9093).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 4(d) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) repeal of section, see § 2(i) of Real Property Tax Assessment Transition Emergency Act of 2001 (D.C. Act 14-44, April 18, 2001, 48 DCR 3844).

For temporary (90 day) repeal of section, see § 2(i) of Real Property Tax Assessment Transition Congressional Review Emergency Act of 2001 (D.C. Act 14-116, August 3, 2001, 48 DCR 7659).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 14-28.** — Law 14-28, the “Fiscal Year 2002 Budget Support Act of 2001”, was introduced in Council and assigned Bill No. 14-144, which was referred to the Committee Of the Whole. The Bill was adopted on first and second readings on May 1, 2001, and June 5, 2001, respectively. Signed by the Mayor on June 29, 2001, it was assigned Act No. 14-85 and transmitted to both Houses of Congress for its review. D.C. Law 14-28 became effective on October 3, 2001.

**Editor’s notes.** — Office of Assessor abolished: See Historical and Statutory Notes following § 47-413.

**§ 47-1102. Taxes and assessments — Extension of time of payment. [Repealed].**

Repealed.

(Feb. 28, 1933, 47 Stat. 1348, ch. 130, § 2; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 504(e), 48 DCR 334; Oct. 3, 2001, D.C. Law 14-28, § 2002(i), 48 DCR 6981.)

**Prior Codifications.** — 1981 Ed., § 47-1102.

1973 Ed., § 47-902.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 4(f) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Temporary Repeal of Section** For temporary

(225 day) repeal of section, see 2(i) of Real Property Tax Assessment Transition Temporary Act of 2001 (D.C. Law 14-23, September 6, 2001, law notification 48 DCR 9093).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 4(e) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) repeal of section, see

§ 2(i) of Real Property Tax Assessment Transition Emergency Act of 2001 (D.C. Act 14-44, April 18, 2001, 48 DCR 3844).

For temporary (90 day) repeal of section, see § 2(i) of Real Property Tax Assessment Transition Congressional Review Emergency Act of 2001 (D.C. Act 14-116, August 3, 2001, 48 DCR 7659).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 14-28.** — For Law 14-28, see notes following § 47-1101.

**Editor's notes.** — Office of Collector of Taxes abolished: See Historical and Statutory Notes following § 47-401.

## § 47-1103. Taxes and assessments — Delinquency sale — Required notice. [Repealed].

Repealed.

(Feb. 28, 1933, 47 Stat. 1348, ch. 130, § 3; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Oct. 3, 2001, D.C. Law 14-28, § 2002(i), 48 DCR 6981.)

**Prior Codifications.** — 1981 Ed., § 47-1103.

1973 Ed., § 47-903.

Temporary Repeal of Section For temporary (225 day) repeal of section, see § 2(i) of Real Property Tax Assessment Transition Temporary Act of 2001 (D.C. Law 14-23, September 6, 2001, law notification 48 DCR 9093).

**Emergency legislation.** — For temporary (90 day) repeal of section, see § 2(i) of Real Property Tax Assessment Transition Emergency Act of 2001 (D.C. Act 14-44, April 18, 2001, 48 DCR 3844).

For temporary (90 day) repeal of section, see § 2(i) of Real Property Tax Assessment Transition Congressional Review Emergency Act of 2001 (D.C. Act 14-116, August 3, 2001, 48 DCR 7659).

For temporary (90 day) amendment of section, see § 1102 of Fiscal Year 2003 Budget Support Amendment Second Congressional Review Emergency Act of 2003 (D.C. Act 15-103, June 20, 2003, 50 DCR 5499).

**Legislative history of Law 14-28.** — For Law 14-28, see notes following § 47-1101.

## § 47-1104. Taxes and assessments — Delinquency sale — Invalidity. [Repealed].

Repealed.

(Feb. 28, 1933, 47 Stat. 1348, ch. 130, § 4; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Oct. 3, 2001, D.C. Law 14-28, § 2002(i), 48 DCR 6981.)

**Prior Codifications.** — 1981 Ed., § 47-1104.

1973 Ed., § 47-904.

Temporary Repeal of Section For temporary (225 day) repeal of section, see § 2(i) of Real Property Tax Assessment Transition Temporary Act of 2001 (D.C. Law 14-23, September 6, 2001, law notification 48 DCR 9093).

**Emergency legislation.** — For temporary (90 day) repeal of section, see § 2(i) of Real

Property Tax Assessment Transition Emergency Act of 2001 (D.C. Act 14-44, April 18, 2001, 48 DCR 3844).

For temporary (90 day) repeal of section, see § 2(i) of Real Property Tax Assessment Transition Congressional Review Emergency Act of 2001 (D.C. Act 14-116, August 3, 2001, 48 DCR 7659).

**Legislative history of Law 14-28.** — For Law 14-28, see notes following § 47-1101.

## § 47-1105. Applicability of chapter. [Repealed].

Repealed.

(Feb. 28, 1933, 47 Stat. 1348, ch. 130, § 6; enacted, Apr. 9, 1997, D.C. Law



11-254, § 2, 44 DCR 1575; Oct. 3, 2001, D.C. Law 14-28, § 2002(i), 48 DCR 6981.)

**Cross references.** — Property exempt from taxation, assessments, see § 47-1011.

Real property assessments and taxes, assessments due and payable, see § 47-832.

Street repairs, sidewalk, curbing, sewer system, and water supply system improvements, assessments upon adjoining properties, see § 9-401.01 et seq.

Water main and service sewer construction, assessments, see § 34-2405.01 et seq.

**Prior Codifications.** — 1981 Ed., § 47-1105.

1973 Ed., § 47-905.

Temporary Repeal of Section For temporary (225 day) repeal of section, see § 2(i) of Real Property Tax Assessment Transition Temporary Act of 2001 (D.C. Law 14-23, September 6, 2001, law notification 48 DCR 9093).

**Emergency legislation.** — For temporary (90 day) repeal of section, see § 2(i) of Real Property Tax Assessment Transition Emergency Act of 2001 (D.C. Act 14-44, April 18, 2001, 48 DCR 3844).

For temporary (90 day) repeal of section, see § 2(i) of Real Property Tax Assessment Transition Congressional Review Emergency Act of 2001 (D.C. Act 14-116, August 3, 2001, 48 DCR 7659).

**Legislative history of Law 14-28.** — For Law 14-28, see notes following § 47-1101.

**Editor's notes.** — Office of Assessor abolished: See Historical and Statutory Notes following § 47-413.

CHAPTER 12. SPECIAL ASSESSMENTS.

Sec.

47-1201. Public improvements generally — Protest by aggrieved property owner.

47-1202. Same — Power of Mayor to abate, reduce, or adjust.

47-1202.01. Deferral or forgiveness of special assessments.

47-1203. Public improvements generally — Notice of levying; payment; interest; delinquency sale.

Sec.

47-1204. Condemnation proceedings; payment; interest; delinquency sale.

47-1205. Removal of nuisances; payment; interest; delinquency sale; redemption.

47-1206. Power and duty of Mayor to reassess.

47-1207. Improvements of streets about the Capitol.

**§ 47-1201. Public improvements generally — Protest by aggrieved property owner.**

Any property owner aggrieved by any special assessment levied by the District of Columbia for any public improvement, other than a special assessment levied by a jury in a condemnation proceeding, may, within 60 days after service of notice of such assessment as provided in § 47-1203, file with the Mayor of the District of Columbia a protest in writing against such assessment setting forth specifically the grounds of such protest and may request a hearing thereon. No ground of protest not specifically set forth need be considered by the Mayor. If a hearing is requested the same shall be held, in the discretion of the Mayor, either before him or before 1 or more agents designated by him. At such hearing, physical facts which may be ascertained by view may be considered whether proved or not. If the hearing is held before an agent or agents, such agent or agents shall report in writing to the Mayor the substance of the evidence taken and the arguments made at the hearing, together with the findings (which may include a statement of any physical facts not proved at the hearing but which may be ascertained by view) and the recommendations of such agent or agents. A copy of such report, findings, and recommendations shall be mailed to the protestant 10 days before being presented to the Mayor, and the protestant may, before such report, findings, and recommendations are presented to the Mayor, file with such agent or agents exceptions to such report and findings, which exceptions shall be presented to the Mayor with such report, findings, and recommendations. If the Mayor finds that the property of the owner so protesting is not benefited by the improvement for which said assessment is levied, or is benefited less than the amount of such assessment or is unequally or inequitably assessed with relation to other property abutting such improvement, the Mayor shall abate, reduce, or adjust such assessment in accordance with such findings. In computing the time hereinafter provided in which a special assessment may be paid without interest there shall be excluded therefrom the time between the date of the filing of any such protest and the date of mailing notice of the action thereon by the Mayor. This section shall be effective only as to assessments levied for work completed subsequent to the passage and approval of §§ 47-1201 to 47-1206.



(June 25, 1938, 52 Stat. 1198, ch. 702, § 1; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Cross references.** — Department of Finance and Revenue, powers, reallocation of special assessments, see § 47-835.

Real property assessments and taxes, unsubdivided tracts, allocation of special assessment between subdivisions, see §§ 47-833 and 47-834.

**Section references.** — This section is referred to in §§ 47-1203 and 47-1204.

**Prior Codifications.** — 1981 Ed., § 47-1201.

1973 Ed., § 47-1101.

## § 47-1202. Same — Power of Mayor to abate, reduce, or adjust.

The Mayor of the District of Columbia is authorized, but not directed, whenever in his judgment and discretion any property upon which a special assessment has been levied by the District of Columbia is not benefited by the improvement for which such special assessment was levied, or is benefited less than the amount of such assessment, or is unequally or inequitably assessed with relation to other property abutting such improvement, to abate, reduce, or adjust such assessment in accordance with such finding. This section shall not apply to any assessment levied by a jury in a condemnation proceeding, or to any assessment levied for work completed subsequent to June 25, 1938, or to any assessment levied under subchapter III of Chapter 4 of Title 9; provided, however, that nothing in this section shall be construed as affecting protests filed under the provisions of subchapter III of Chapter 4 of Title 9 within the time prescribed in said sections.

(June 25, 1938, 52 Stat. 1199, ch. 702, § 2; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in §§ 47-1201, 47-1203, and 47-1204.

1973 Ed., § 47-1102.

**Prior Codifications.** — 1981 Ed., § 47-1202.

## § 47-1202.01. Deferral or forgiveness of special assessments.

The Mayor may defer or forgive, in whole or in part, any special assessment levied by the District of Columbia with respect to any qualified real property approved pursuant to § 6-1503.

(June 25, 1938, ch. 702, § 2a; as added Oct. 20, 1988, D.C. Law 7-177, § 7, 35 DCR 6158; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in §§ 47-1201, 47-1203, and 47-1204.

**Prior Codifications.** — 1981 Ed., § 47-1202.1.

1973 Ed., § 47-1102.

**Legislative history of Law 7-177.** — Law 7-177, the "Economic Development Zone Incentives Amendment Act of 1988," was introduced

in Council and assigned Bill No. 7-208, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 28, 1988 and July 12, 1988, respectively. Signed by the Mayor on August 2, 1988, it was assigned Act No. 7-237 and transmitted to both Houses of Congress for its review.

**Editor's notes.** — Mayor authorized to issue rules: Section 13 of D.C. Law 7-177 provided that the Mayor shall issue rules to implement the provisions of the act.

**§ 47-1203. Public improvements generally — Notice of levying; payment; interest; delinquency sale.**

(a)(1) When any special assessment for a public improvement, with the exception of assessments levied in condemnation proceedings, is levied by the District of Columbia upon any lot or parcel of land, notice of the levying of such assessment shall be served upon the record owner thereof in the manner herein provided, and if there be more than 1 record owner of such lot or parcel of land notice served on one of the owners shall be sufficient. Such notice shall be deemed to have been served when served by any of the following methods:

(A) When forwarded to the last-known address of the owner as recorded in the real estate assessment records of the District of Columbia by registered or certified mail, with return receipt, and such receipt shall constitute prima facie evidence of service upon such owner if such receipt is signed either by the owner or by a person of suitable age and discretion located at such address; provided, that valid service upon the owner shall be deemed effected under this subparagraph if such notice shall be refused by the owner and not delivered for that reason;

(B) When delivered to the person to be notified;

(C) When left at the usual residence or place of business of the person to be notified with a person of suitable age and discretion then resident or employed therein;

(D) If no such residence or place of business can be found in the District of Columbia by diligent search, then if left with any person of suitable age and discretion employed at the office of any agent of the person to be notified, which agent has any authority or duty with reference to the land or tenement to which said notice relates;

(E) If any such notice forwarded by registered or certified mail be returned for reasons other than refusal, or if personal service of such notice cannot be effected, then if published on 3 consecutive days in a daily newspaper published in the District of Columbia; or

(F) If by reason of an outstanding unrecorded transfer of title the name of the owner cannot, by diligent search, be ascertained, then if served on the owner of a record in a manner hereinbefore provided.

(2) Any notice to a corporation shall, for the purposes of §§ 47-1201 to 47-1206, be deemed to have been served on such corporation if served on the president, secretary, treasurer, general manager, or any principal officer of such corporation in a manner hereinbefore provided for the service of notices on natural persons holding property in their own right; and notices to a foreign corporation shall, for the purposes of §§ 47-1201 to 47-1206, be deemed to have been served if served personally on any agent of such corporation, or if left with any person of suitable age and discretion residing at the usual residence or employed at the usual place of business of such agent in the District of Columbia. The cost of publication, if any, shall be paid out of the general revenues of the District. The notice herein provided for shall be in lieu of any and all other notice now required by law.



(3) In case such notice is served by any method other than personal service, a copy of such notice shall also be sent to the owner by ordinary mail.

(b)(1) All special assessments authorized to be levied by the District of Columbia for public improvements, with the exception of assessments levied in condemnation proceedings, may be paid without interest within 60 days from the date of service of notice or of the last publication of notice as the case may be. Interest of one-half of 1% for each month or part thereof shall be charged on all unpaid amounts from the expiration of 60 days from the date of service or last publication as the case may be. Any such assessment may be paid in 3 equal installments with interest thereon. If any such assessment or any part thereof shall remain unpaid after the expiration of 2 years from date of service of notice or last publication of notice as the case may be, the property against which said assessment was levied may be sold for such assessment or unpaid portion thereof with interest and penalties thereon at the next ensuing annual tax sale conducted under Chapter 13A of this title, in the same manner and under the same conditions as property sold for delinquent general taxes, if said assessment with interest and penalties thereon shall not have been paid in full prior to said sale.

(2) This subsection shall apply only to assessments for public improvements completed subsequent to June 25, 1938, and assessments for public improvements completed on or before June 25, 1938, shall be levied and collected and bear interest as if §§ 47-1201 to 47-1206 had not been passed, except that where service sewers or water mains, or both, have been laid prior to June 25, 1938, but assessments therefor have not been levied for the reason that the property abutting the street, avenue, road, or alley in which the service sewer or water main is laid has not been subdivided, assessments for such sewers or water mains, or both, levied after June 25, 1938, because of the subdivision of the property or its connection with the sewer or water main or both, shall be levied, collected, and bear interest as provided in this subsection.

(June 25, 1938, 52 Stat. 1199, ch. 702, § 3; June 17, 1959, 73 Stat. 75, Pub. L. 86-46, §§ 1, 3; Apr. 9, 1997, D.C. Law 11-198, § 204(a), 43 DCR 4569; enacted Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 508(e)(2), 48 DCR)

**Cross references.** — Real property tax sales, notice of tax liability to record owner, effect on operation of this section, see § 47-1302.

**Section references.** — This section is referred to in §§ 47-1201, 47-1204, and 47-1302.

**Prior Codifications.** — 1981 Ed., § 47-1203.

1973 Ed., § 47-1103.

**Effect of amendments.** — D.C. Law 13-305, in subsec. (b)(1), substituted “under Chapter 13A” for “pursuant to § 1301”.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 204(a) of Fiscal Year 1997 Budget Support Temporary Amendment Act of 1996 (D.C.

Law 11-226, April 9, 1997, law notification 44 DCR 2584).

For temporary (225 day) amendment of section, see § 8(e)(2) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary amendment of section, see § 204(a) of the Fiscal Year 1997 Budget Support Emergency Act of 1996 (D.C. Act 11-302, July 25, 1996, 43 DCR 4181), § 204(a) of the Fiscal Year 1997 Budget Support Emergency Amendment Act of 1996 (D.C. Act 11-429, October 29, 1996, 43 DCR 6151), and § 204(a) of the Fiscal Year 1997 Budget Support Congressional Adjournment

Emergency Amendment Act of 1997 (D.C. Act 12-2, February 19, 1997, 44 DCR 1590).

For temporary (90 day) amendment of section, see § 8(e)(2) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 11-198.** — Law 11-198, the “Fiscal Year 1997 Budget Support Act of 1996,” was introduced in Council and

assigned Bill No. 11-741, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on June 19, 1996, and July 3, 1996, respectively. Signed by the Mayor on July 26, 1996, it was assigned Act No. 11-360 and transmitted to both Houses of Congress for its review. D.C. Law 11-198 became effective April 9, 1997.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

## § 47-1204. Condemnation proceedings; payment; interest; delinquency sale.

Special assessments authorized to be levied in condemnation proceedings instituted by the District of Columbia may be paid without interest within 60 days after the ratification or confirmation of the verdict of the jury. Interest of one-third of 1% for each month or part thereof shall be charged on all unpaid amounts from the expiration of 60 days from the date of the ratification or confirmation of the verdict of the jury. Any such assessment may be paid in 5 equal installments with interest thereon. If any such assessment or any part thereof shall remain unpaid after the expiration of 4 years from the date of the ratification or confirmation of the verdict of the jury the property against which said assessment was levied may be sold for such assessment or unpaid portion thereof with interest and penalties thereon at the next ensuing annual tax sale conducted under Chapter 13A of this title, in the same manner and under the same conditions as property sold for delinquent general taxes, if said assessment with interest and penalties thereon shall not have been paid in full prior to said sale. This section shall apply only to assessments ratified or confirmed by the court after June 25, 1938, and assessments ratified or confirmed on or before June 25, 1938, shall be levied and collected and bear interest as if §§ 47-1201 to 47-1206 had not been passed.

(June 25, 1938, 52 Stat. 1200, ch. 702, § 4; Apr. 9, 1997, D.C. Law 11-198, § 204(b), 43 DCR 4569; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 508(e)(3), 48 DCR 334.)

**Section references.** — This section is referred to in §§ 47-1201 and 47-1203.

**Prior Codifications.** — 1981 Ed., § 47-1204.

1973 Ed., § 47-1104.

**Effect of amendments.** — D.C. Law 13-305 substituted “under Chapter 13A” for “pursuant to § 1301”.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 204(b) of Fiscal Year 1997 Budget Support Temporary Amendment Act of 1996 (D.C. Law 11-226, April 9, 1997, law notification 44 DCR 2584).

For temporary (225 day) amendment of section, see § 8(e)(3) of Real Property Tax Clarity

and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary amendment of section, see § 204(b) of the Fiscal Year 1997 Budget Support Emergency Act of 1996 (D.C. Act 11-302, July 25, 1996, 43 DCR 4181), § 204(b) of the Fiscal Year 1997 Budget Support Emergency Amendment Act of 1996 (D.C. Act 11-429, October 29, 1996, 43 DCR 6151), and § 204(b) of the Fiscal Year 1997 Budget Support Congressional Adjournment Emergency Amendment Act of 1997 (D.C. Act 12-2, February 19, 1997, 44 DCR 1590).

For temporary (90 day) amendment of section, see § 8(e)(3) of Real Property Tax Clarity



and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 11-198.** — For legislative history of D.C. Law 11-198, see His-

torical and Statutory Notes following § 47-1203.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

## § 47-1205. Removal of nuisances; payment; interest; delinquency sale; redemption.

(a) Except as provided in subsections (b) and (c) of this section, all assessments authorized to be levied by the District of Columbia to reimburse it for money expended in the removal of nuisances shall bear interest at the rate of 1½% per month or part thereof from the date such assessment was levied. If any such assessment shall remain unpaid after the expiration of 60 days from the date such assessment was levied the property against which such assessment was levied may be sold for such assessment with interest and penalties thereon at the next ensuing annual tax sale conducted under Chapter 13A of this title, in the same manner and under the same conditions as property sold for delinquent general taxes, if such assessment with interest and penalties thereon shall not have been paid in full prior to said sale.

(b) All assessments authorized to be levied by the District of Columbia to reimburse it for money spent in the removal or abatement of nuisances or the correction of any other condition on real property that is violative of any District law or regulation pursuant to § 42-3131.01, or the correction of any unsafe condition pursuant to §§ 6-801 and 6-803, shall bear interest at the rate of 1½% per month or part of a month from the date the assessment was levied. If any part of the assessment remains unpaid after the expiration of 60 days from the date the assessment was levied, the property against which the assessment was levied may be sold for the outstanding assessment, plus interest and penalties, at the next ensuing tax sale, but no later than 6 months from the expiration of 60 days from the date of the assessment, in the same manner and under the same conditions as property sold for delinquent general taxes, if the assessment, plus interest and penalties, is not paid in full prior to the sale.

(c) For the purposes of any property sold pursuant to subsection (b) of this section, the redemption period specified in §§ 47-847, 47-1304, 47-1306, 47-1307, and 47-1312 shall be 6 months.

(June 25, 1938, 52 Stat. 1200, ch. 702, § 5; Apr. 19, 1977, D.C. Law 1-124, title VII, § 701, 23 DCR 8749; Mar. 16, 1978, D.C. Law 2-52, § 2, 24 DCR 4832; Aug. 9, 1986, D.C. Law 6-135, § 13, 33 DCR 3771; Apr. 9, 1997, D.C. Law 11-198, § 204(c), 43 DCR 4569; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 508(e)(4), 48 DCR 334.)

**Cross references.** — Fire safety, special assessments upon noncompliant real property owners, collection, see § 6-703.08.

Homestead Housing Preservation Program, real property tax sales, notice to record owner, see § 42-2111.

Real property tax sales, redemption, see

§§ 47-847, 47-1304, 47-1306, 47-1307, and 47-1312.

**Section references.** — This section is referred to in §§ 47-1201, 47-1203, and 47-

**Prior Codifications.** — 1981 Ed., § 47-1205.

1973 Ed., § 47-1105.

**Effect of amendments.** — D.C. Law 13-305, in subsec. (a), substituted “under Chapter 13A” for “pursuant to § 1301”.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 204(c) of Fiscal Year 1997 Budget Support Temporary Amendment Act of 1996 (D.C. Law 11-226, April 9, 1997, law notification 44 DCR 2584).

For temporary (225 day) amendment of section, see § 8(e)(4) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary amendment of section, see § 204(c) of the Fiscal Year 1997 Budget Support Emergency Act of 1996 (D.C. Act 11-302, July 25, 1996, 43 DCR 4181), and see § 204(c) of the Fiscal Year 1997 Budget Support Emergency Amendment Act of 1996 (D.C. Act 11-429, October 29, 1996, 43 DCR 6151).

For temporary amendment of section, see § 204(c) of the Fiscal Year 1997 Budget Support Congressional Adjournment Emergency Amendment Act of 1997 (D.C. Act 12-2, February 19, 1997, 44 DCR 1590).

For temporary (90 day) amendment of section, see § 3(d)(2) and 6(b) of the Redevelopment Land Agency Disposition Review Congressional Review Emergency Amendment Act of 2000 (D.C. Act 13-524, January 11, 2001, 48 DCR 624).

For temporary (90 day) amendment of section, see § 8(e)(4) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 1-124.** — Law 1-124, the “Revenue Act For Fiscal Year 1978,”

was introduced in Council and assigned Bill No. 1-375, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on December 3, 1976 and December 17, 1976, respectively. Signed by the Mayor on January 25, 1977, it was assigned Act No. 1-226 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 2-52.** — Law 2-52, the “Increase Rate of Interest on Special Assignments Act of 1977,” was introduced in Council and assigned Bill No. 2-185, which was referred to the Committee on Finance and Revenue and to the Committee on Housing and Urban Development for comments. The Bill was adopted on first and second readings on October 11, 1977 and October 25, 1977, respectively. Signed by the Mayor on December 7, 1977, it was assigned Act No. 2-113 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 6-135.** — For legislative history of D.C. Law 6-135, see Historical and Statutory Notes following § 47-847.

**Legislative history of Law 11-198.** — For legislative history of D.C. Law 11-198, see Historical and Statutory Notes following § 47-1204.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Approval of amendments to rules for real property taxes: Pursuant to Resolution 7-72, the “Homestead Housing Tax Sale Amendment Approval Resolution of 1987,” effective June 2, 1987, the Council approved proposed amendments to Chapter 3, Title 9 DCMR, rules for real property taxes which were transmitted to Council by the District of Columbia Homestead Program Administration, Department of Housing and Community Development.

## CASE NOTES

### In general.

Tax sale purchaser does not have cause of action against District of Columbia for specific performance when District allowed redemption

of property after statutory redemption period had expired. D.C. Code 1981, §§ 47-1205(c), 47-1304. *Stuart v. District of Columbia*, 694 A.2d 49, 1997 D.C. App. LEXIS 81 (1997).

## § 47-1206. Power and duty of Mayor to reassess.

The Mayor of the District of Columbia is hereby authorized and directed, in any case where a special assessment for public improvements in the District of Columbia, other than an assessment levied by a jury in a condemnation proceeding, has been or hereafter may be quashed, set aside, or declared void by any court for any reason other than the right of the public authorities to levy an assessment for such improvement, to reassess the property in accordance with the benefits received from such improvement, after notice to the owner of the property and an opportunity afforded him to be heard, the hearing to be had before such agent or agents as the Mayor may designate. At such hearing



physical facts which may be ascertained by view may be considered, whether proved or not. Such agent or agents shall report in writing to the Mayor the substance of the evidence taken and the arguments made at the hearing, together with the findings (which may include a statement of any physical facts not proved at the hearing which may be ascertained by view) and the recommendations of such agent or agents. A copy of such report, findings, and recommendations shall be mailed to the protestant 10 days before being presented to the Mayor, and the protestant may, before such report, findings, and recommendations are presented to the Mayor, file with such agent or agents exceptions to such report and findings, which exceptions shall be presented to the Mayor with such report, findings, and recommendations. The reassessment shall be made within 1 year from the date the judgment or decree quashing, setting aside, or declaring void the assessment becomes final and not subject to review. Notice of such reassessment shall be given the property owner in the same manner as if such reassessment was an original assessment, and such reassessment shall bear interest and be collected in the same manner as if such reassessment was an original assessment.

(June 25, 1938, 52 Stat. 1201, ch. 702, § 6; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Cross references.** — Real property assessments and taxes, reassessment of void assessments, see § 47-839.

Street repairs, sidewalk, curbing, and alley improvements, cancellation and reassessment of assessments, see § 9-421.11.

Water main and sewer service assessments,

reassessment of void assessments, see § 34-2405.06.

**Section references.** — This section is referred to in §§ 47-1201, 47-1203, and 47-1204.

**Prior Codifications.** — 1981 Ed., § 47-1206.

1973 Ed., § 47-1106.

## § 47-1207. Improvements of streets about the Capitol.

In the improvements of streets about the Capitol, the Secretary of the Interior shall assess and collect the cost of all improvements made in front of all private property in the same proportion as charged by the District authorities for the same purpose.

(R.S., D. C., § 152; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1207.

1973 Ed., § 47-1107.

CHAPTER 12A. HEALTH CARE PROVIDER ASSESSMENTS [EXPIRED].

Sec.

47-1221 to 47-1232. [Expired].

**§§ 47-1221 to 47-1232. Definitions; assessment on hospitals; assessment on nursing homes; assessment on intermediate care facilities for the mentally retarded; interest and penalties; payment; confidentiality; audit; determination or re-determination of assessment; periods of limitation on audit and collection; appeals; certain suits forbidden; federal determinations; rules [Expired].**

Expired.

**Expiration of Law 9-214.** — Section 15(a) of D.C. Law 9-214 provided that the act shall expire on September 30, 1994. Section 15(b) of D.C. Law 9-214 provided that after the expiration of the act all rights and liabilities arising

under the act prior to its expiration shall continue and may be enforced in the same manner and to the same extent as if the act were still in effect.



## CHAPTER 12B. HEALTH CARE PROVIDER ASSESSMENT ACT OF 1995 [REPEALED].

Sec.  
47-1241 to 47-1252. [Repealed].

### § 47-1241. Definitions. [Repealed].

Repealed.

(Sept. 26, 1995, D.C. Law 11-52, § 202, 42 DCR 3684; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Dec. 7, 2004, D.C. Law 15-205, § 5202(b), 51 DCR 8441.)

**Prior Codifications.** — 1981 Ed., § 47-1241.

**Emergency legislation.** — For temporary addition of chapter, see §§ 201-213 of the Omnibus Budget Support Emergency Act of 1995 (D.C. Act 11-44, April 28, 1995, 42 DCR 2217) and §§ 201-213 of the Omnibus Budget Support Congressional Review Emergency Act of 1995 (D.C. Act 11-124, July 27, 1995, 42 DCR 4160).

For temporary (90 day) repeal of section, see § 5202(b) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) repeal of section, see § 5202(b) of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

**Legislative history of Law 11-52.** — Law 11-52, the “Omnibus Budget Support Act of 1995,” was introduced in Council and assigned

Bill No. 11-218, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on April 19, 1995, and June 6, 1995, respectively. Signed by the Mayor on July 13, 1995, it was assigned Act No. 11-94 and transmitted to both Houses of Congress for its review. D.C. Law 11-52 became effective on September 26, 1995.

**Legislative history of Law 15-205.** — Law 15-205, the “Fiscal Year 2005 Budget Support Act of 2004”, was introduced in Council and assigned Bill No. 15-768, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on May 14, 2004, and June 29, 2004, respectively. Signed by the Mayor on August 2, 2004, it was assigned Act No. 15-487 and transmitted to both Houses of Congress for its review. D.C. Law 15-205 became effective on December 7, 2004.

**References in text.** — “This act”, referred to in subsection (3), is D.C. Law 11-52.

### § 47-1242. Assessment on hospitals. [Repealed].

Repealed.

(Sept. 26, 1995, D.C. Law 11-52, § 203, 42 DCR 3684; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Dec. 7, 2004, D.C. Law 15-205, § 5202(b), 51 DCR 8441.)

**Prior Codifications.** — 1981 Ed., § 47-1242.

**Emergency legislation.** — For temporary (90 day) repeal of section, see § 5202(b) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) repeal of section, see § 5202(b) of Fiscal Year 2005 Budget Support

Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

**Legislative history of Law 11-52.** — For legislative history of D.C. Law 11-52, see Historical and Statutory Notes following § 47-1241.

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-1241.

### § 47-1243. Assessment on nursing homes. [Repealed].

Repealed.

(Sept. 26, 1995, D.C. Law 11-52, § 204, 42 DCR 3684; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Dec. 7, 2004, D.C. Law 15-205, § 5202(b), 51 DCR 8441.)

**Prior Codifications.** — 1981 Ed., § 47-1243.

**Emergency legislation.** — For temporary (90 day) repeal of section, see § 5202(b) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) repeal of section, see § 5202(b) of Fiscal Year 2005 Budget Support

Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

**Legislative history of Law 11-52.** — For legislative history of D.C. Law 11-52, see Historical and Statutory Notes following § 47-1241.

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-1241.

## § 47-1244. Assessment on intermediate care facilities for the mentally retarded. [Repealed].

Repealed.

(Sept. 26, 1995, D.C. Law 11-52, § 205, 42 DCR 3684; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Dec. 7, 2004, D.C. Law 15-205, § 5202(b), 51 DCR 8441.)

**Prior Codifications.** — 1981 Ed., § 47-1244.

**Emergency legislation.** — For temporary (90 day) repeal of section, see § 5202(b) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) repeal of section, see § 5202(b) of Fiscal Year 2005 Budget Support

Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

**Legislative history of Law 11-52.** — For legislative history of D.C. Law 11-52, see Historical and Statutory Notes following § 47-1241.

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-1241.

## § 47-1245. Interest and penalties. [Repealed].

Repealed.

(Sept. 26, 1995, D.C. Law 11-52, § 206, 42 DCR 3684; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Dec. 7, 2004, D.C. Law 15-205, § 5202(b), 51 DCR 8441.)

**Prior Codifications.** — 1981 Ed., § 47-1245.

**Emergency legislation.** — For temporary (90 day) repeal of section, see § 5202(b) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) repeal of section, see § 5202(b) of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

**Legislative history of Law 11-52.** — For legislative history of D.C. Law 11-52, see Historical and Statutory Notes following § 47-1241.

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-1241.

**Editor's notes.** — Subsequent to the repeal of this section, D.C. Law 15-354, § 73(d), purported to amend this section, therefore, the amendment was not effective.

## § 47-1246. Payment. [Repealed].

Repealed.



(Sept. 26, 1995, D.C. Law 11-52, § 207, 42 DCR 3684; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Dec. 7, 2004, D.C. Law 15-205, § 5202(b), 51 DCR 8441.)

**Prior Codifications.** — 1981 Ed., § 47-1246.

**Emergency legislation.** — For temporary (90 day) repeal of section, see § 5202(b) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) repeal of section, see § 5202(b) of Fiscal Year 2005 Budget Support

Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

**Legislative history of Law 11-52.** — For legislative history of D.C. Law 11-52, see Historical and Statutory Notes following § 47-1241.

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-1241.

## § 47-1247. Confidentiality; audit; determination or retermination of assessment. [Repealed].

Repealed.

(Sept. 26, 1995, D.C. Law 11-52, § 208, 42 DCR 3684; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Dec. 7, 2004, D.C. Law 15-205, § 5202(b), 51 DCR 8441.)

**Prior Codifications.** — 1981 Ed., § 47-1247.

**Emergency legislation.** — For temporary (90 day) repeal of section, see § 5202(b) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) repeal of section, see § 5202(b) of Fiscal Year 2005 Budget Support

Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

**Legislative history of Law 11-52.** — For legislative history of D.C. Law 11-52, see Historical and Statutory Notes following § 47-1241.

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-1241.

## § 47-1248. Periods of limitation on audit and collection. [Repealed].

Repealed.

(Sept. 26, 1995, D.C. Law 11-52, § 209, 42 DCR 3684; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Dec. 7, 2004, D.C. Law 15-205, § 5202(b), 51 DCR 8441.)

**Prior Codifications.** — 1981 Ed., § 47-1248.

**Emergency legislation.** — For temporary (90 day) repeal of section, see § 5202(b) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) repeal of section, see § 5202(b) of Fiscal Year 2005 Budget Support

Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

**Legislative history of Law 11-52.** — For legislative history of D.C. Law 11-52, see Historical and Statutory Notes following § 47-1241.

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-1241.

## § 47-1249. Appeals. [Repealed].

Repealed.

(Sept. 26, 1995, D.C. Law 11-52, § 210, 42 DCR 3684; enacted, Apr. 9, 1997,

D.C. Law 11-254, § 2, 44 DCR 1575; Dec. 7, 2004, D.C. Law 15-205, § 5202(b), 51 DCR 8441.)

**Prior Codifications.** — 1981 Ed., § 47-1249.

**Emergency legislation.** — For temporary (90 day) repeal of section, see § 5202(b) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) repeal of section, see § 5202(b) of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

**Legislative history of Law 11-52.** — For legislative history of D.C. Law 11-52, see Historical and Statutory Notes following § 47-1241.

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-1241.

**Editor's notes.** — Subsequent to the repeal of this section, D.C. Law 15-354, § 73(e), purported to amend subsecs. (a) and (b), therefore, the amendment was not effective.

## § 47-1250. Certain suits forbidden. [Repealed].

Repealed.

(Sept. 26, 1995, D.C. Law 11-52, § 211, 42 DCR 3684; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Dec. 7, 2004, D.C. Law 15-205, § 5202(b), 51 DCR 8441.)

**Prior Codifications.** — 1981 Ed., § 47-1250.

**Emergency legislation.** — For temporary (90 day) repeal of section, see § 5202(b) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) repeal of section, see § 5202(b) of Fiscal Year 2005 Budget Support

Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

**Legislative history of Law 11-52.** — For legislative history of D.C. Law 11-52, see Historical and Statutory Notes following § 47-1241.

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-1241.

## § 47-1251. Federal Determinations. [Repealed].

Repealed.

(Sept. 26, 1995, D.C. Law 11-52, § 212, 42 DCR 3684; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Dec. 7, 2004, D.C. Law 15-205, § 5202(b), 51 DCR 8441.)

**Prior Codifications.** — 1981 Ed., § 47-1251.

**Emergency legislation.** — For temporary (90 day) repeal of section, see § 5202(b) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) repeal of section, see § 5202(b) of Fiscal Year 2005 Budget Support

Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

**Legislative history of Law 11-52.** — For legislative history of D.C. Law 11-52, see Historical and Statutory Notes following § 47-1241.

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-1241.

## § 47-1252. Rules. [Repealed].

Repealed.

(Sept. 26, 1995, D.C. Law 11-52, § 213, 42 DCR 3684; enacted, Apr. 9, 1997,



D.C. Law 11-254, § 2, 44 DCR 1575; Dec. 7, 2004, D.C. Law 15-205, § 5202(b), 51 DCR 8441.)

**Prior Codifications.** — 1981 Ed., § 47-1252.

**Emergency legislation.** — For temporary (90 day) repeal of section, see § 5202(b) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) repeal of section, see § 5202(b) of Fiscal Year 2005 Budget Support

Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

**Legislative history of Law 11-52.** — For legislative history of D.C. Law 11-52, see Historical and Statutory Notes following § 47-1241.

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-1241.

CHAPTER 12C. NURSING FACILITY QUALITY OF CARE FUND; NURSING FACILITY ASSESSMENT.

Sec.	Sec.
47-1261. Definitions.	47-1266. Appeals.
47-1262. Nursing Facility Quality of Care Fund.	47-1267. Rules.
47-1263. Assessments on nursing facilities.	47-1268. Federal determinations; suspension and termination of assessment.
47-1264. Interest and penalties.	47-1269. Applicability.
47-1265. Confidentiality; audit; determination or redetermination of assessment.	

§ 47-1261. Definitions.

For the purposes of this chapter, the term:

(1) "Case mix reimbursement methodology" means a prospective Medicaid payment rate system for nursing facilities that includes:

- (A) A point-of-sale prescription system;
- (B) A resident classification system based on resident acuity and needs;

and

(C) The following 3 peer groupings for rate purposes:

(i) All freestanding nursing facilities, except those owned by the District of Columbia;

(ii) All hospital-based nursing facilities; and

(iii) All nursing facilities owned by the District of Columbia.

(2) "Fiscal year" means the 12-month accounting period of the District of Columbia beginning on October 1 and ending on September 30 of the next year.

(3) "Fund" means the Nursing Facility Quality of Care Fund established by this chapter.

(4) "Gross resident revenue" means the sum of resident charges, ancillary service charges, and other charges related to the provision of services to residents.

(5) "Medicaid" means the medical assistance programs authorized by title XIX of the Social Security Act, approved July 30, 1965 (79 Stat. 343; 42 U.S.C. § 1396 et seq.), and by [§ 1-307.02], and administered by the Department of Health.

(6) "Net resident revenue" means gross resident revenue less deductions resulting from a nursing facility's inability to collect full payment of its established charges to residents. The deductions include:

(A) Bad debts;

(B) Contractual adjustments, including the difference between the amount that would be realized at the nursing facility's established charges and the amount actually received pursuant to contractual agreements entered into to receive Medicare payments, Medicaid payments, Blue Cross or Blue Shield plan payments, or other third-party payments;

(C) Uncompensated or charity care; and

(D) Administrative, courtesy, and policy discounts and adjustments.

(7) "Nursing facility" means a health care facility as defined in and codified at § 44-501(a)(3), but does not include a health care facility operated by the federal government.



(8) “Quality of care initiatives” means initiatives that include a case mix reimbursement methodology, reimbursement of the costs of the audit required by § 47-1262(d), and, to the extent that amounts in the Fund remain, other programs designed to promote and foster the improved care, safety, and health of residents in Medicaid-certified nursing facilities.

(9) “Resident” means a person receiving services in a nursing facility.

(10) “Superior Court” means the Superior Court of the District of Columbia.

(Dec. 7, 2004, D.C. Law 15-205, § 5202(c), 51 DCR 8441.)

**Emergency legislation.** — For temporary (90 day) addition, see § 5202(c) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) addition, see § 5202(c) of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

**Legislative history of Law 15-205.** — Law 15-205, the “Fiscal Year 2005 Budget Support Act of 2004”, was introduced in Council and assigned Bill No. 15-768, which was referred to

the Committee of the Whole. The Bill was adopted on first and second readings on May 14, 2004, and June 29, 2004, respectively. Signed by the Mayor on August 2, 2004, it was assigned Act No. 15-487 and transmitted to both Houses of Congress for its review. D.C. Law 15-205 became effective on December 7, 2004.

**Short title.** — Short title of subtitle B of title V of Law 15-205: Section 5201 of D.C. Law 15-205 provided that subtitle B of title V of the act may be cited as the Nursing Facility Quality of Care Act of 2004.

## § 47-1262. Nursing Facility Quality of Care Fund.

(a) There is established a fund designated as the Nursing Facility Quality of Care Fund, which shall be separate from the General Fund of the District of Columbia and shall be used for the purposes set forth in subsection (b) of this section. All assessments collected under this chapter, any and all interest earned on those assessments, any and all interest and penalties collected under § 47-1264, and any and all matching federal funds on those amounts, shall be deposited into the Fund, and shall not revert to the General Fund of the District of Columbia at the end of any fiscal year or at any other time, but shall be continually available for the uses and purposes set forth in subsection (b) of this section, subject to authorization by Congress in an appropriations act.

(b) No less than 90% of the Fund shall be used solely to fund quality of care initiatives.

(c) The Mayor shall submit to the Council, as a part of the annual budget, a requested appropriation for expenditures from the Fund.

(d) The Mayor shall audit all income and expenses of the Fund annually and provide the annual report to the Council.

(Dec. 7, 2004, D.C. Law 15-205, § 5202(c), 51 DCR 8441; Mar. 2, 2007, D.C. Law 16-192, § 5082, 53 DCR 6899; Mar. 25, 2009, D.C. Law 17-353, § 211, 56 DCR 1117.)

**Effect of amendments.** — D.C. Law 16-192 rewrote subsec. (b) which had read as follows:

“(b) The Fund shall be used solely to fund quality of care initiatives.”

D.C. Law 17-353 deleted “ninety” following “less than”.

**Emergency legislation.** — For temporary (90 day) addition, see § 5202(c) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) addition, see § 5202(c) of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

For temporary (90 day) amendment of section, see § 5082 of Fiscal Year 2007 Budget Support Emergency Act of 2006 (D.C. Act 16-477, August 8, 2006, 53 DCR 7068).

For temporary (90 day) amendment of section, see § 5082 of Fiscal Year 2007 Budget

Support Congressional Review Emergency Act of 2006 (D.C. Act 16-499, October 23, 2006, 53 DCR 8845).

For temporary (90 day) amendment of section, see § 5082 of Fiscal Year 2007 Budget Support Congressional Review Emergency Act of 2007 (D.C. Act 17-1, January 16, 2007, 54 DCR 1165).

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-1261.

**Legislative history of Law 16-192.** — For Law 16-192, see notes following § 47-340.23.

**Legislative history of Law 17-353.** — For Law 17-353, see notes following § 47-308.

**Short title.** — Short title: Section 5081 of D.C. Law 16-192 provided that subtitle H of title V of the act may be cited as the “Nursing Facility Quality of Care Fund Act of 2006”.

## § 47-1263. Assessments on nursing facilities.

(a) Except as provided in paragraph (1) of this subsection, each nursing facility in the District of Columbia shall pay to the Mayor an assessment of up to 6% per annum of net resident revenue. The assessment shall be a uniform amount per licensed bed, and the amount shall be determined as follows:

(1) For fiscal year 2005, the assessment shall be \$3,600 per licensed bed annually, or the appropriate pro-rata amount based upon that total if the assessment is in effect for less than the entire fiscal year.

(2) For fiscal year 2006 and each succeeding fiscal year, the Mayor shall determine the uniform amount per licensed bed by rules issued pursuant to § 47-1267.

(b) Except for fiscal year 2005, the Mayor shall require each nursing facility to provide to the Office of Tax and Revenue a self-assessment of the amount owed based on net resident revenue as provided in subsection (a) of this section for the ensuing fiscal year of the District no later than September 1.

(c) Each nursing facility shall pay the assessment required by subsection (a) of this section to the Mayor in equal monthly installments.

(d) Each nursing facility shall report net resident revenue for the period upon which the assessment for a fiscal year is to be determined under subsection (a)(2) of this section by submitting an audited financial statement and other information for that period as the Mayor may prescribe by rules issued pursuant to § 47-1267.

(e) The Chief Financial Officer may determine the manner in which payments are made under this chapter, including whether payments owed by each nursing facility under subsection (a) of this section shall be paid electronically.

(Dec. 7, 2004, D.C. Law 15-205, § 5202(c), 51 DCR 8441; Oct. 20, 2005, D.C. Law 16-33, § 1242(a), 52 DCR 7503; Mar. 2, 2007, D.C. Law 16-191, § 5(h), 53 DCR 6794; Aug. 16, 2008, D.C. Law 17-219, § 5027, 55 DCR 7598.)

**Effect of amendments.** — D.C. Law 16-33, rewrote subsec. (b) and added subsec. (e). Prior to amendment, subsec. (b) read as follows: “(b)

Except for fiscal Year 2005, the Mayor shall provide notice to each nursing facility of the amount of the assessment for the ensuing fiscal



year no later than September 1.” Law 16-191 validated a previously made change in the designation of subsec. (e).

D.C. Law 17-219, in the lead-in language, inserted “up to” preceding “6%”; and rewrote par. (2), which had read as follows: “(2) For fiscal year 2006 and each succeeding fiscal year, the Mayor shall determine the uniform amount per licensed bed that will equal 6% per annum of net resident revenue by rules issued pursuant to § 47-1267.

**Emergency legislation.** — For temporary (90 day) addition, see § 5202(c) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) addition, see § 5202(c) of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

For temporary (90 day) amendment of section, see § 1242(a) of Fiscal Year 2006 Budget

Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

For temporary (90 day) amendment, see § 5027 of Fiscal Year 2009 Budget Support Emergency Act of 2008 (D.C. Act 17-468, July 28, 2008, 55 DCR 8746).

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-1261.

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Legislative history of Law 16-191.** — For Law 16-191, see notes following § 47-318.01a.

**Legislative history of Law 17-219.** — For Law 17-219, see notes following § 47-318.05a.

**Short title.** — Short title of subtitle CC of title I of Law 16-33: Section 1241 of D.C. Law 16-33 provided that subtitle CC of title I of the act may be cited as the Nursing Home Provider Tax Technical Amendments Act of 2005.

Short title: Section 5026 of D.C. Law 17-219 provided that subtitle K of title V of the act may be cited as the “Nursing Facility Quality of Care Act of 2008”.

## § 47-1264. Interest and penalties.

(a) When a nursing facility fails to pay the full amount of an assessment by the date required by this chapter, or by rules issued pursuant to § 47-1267, the unpaid balance shall accrue interest at the rate of 1.5% per month or any fraction thereof, which shall be added to the unpaid balance.

(b) A nursing facility that fails to file a report required under this chapter, or by rules issued pursuant to § 47-1267, shall pay an administrative penalty equal to 5% of the monthly assessment for each month, or any fraction thereof, that the failure to file continues. The total administrative penalty shall not exceed 25% of the nursing facility’s annual assessment.

(c) A nursing facility that knowingly provides false information in a report required by this chapter, or by rules issued pursuant to § 47-1267, shall be subject to a penalty equal to the tax owed.

(d) The District of Columbia shall have a lien upon the real and personal property located in the District of Columbia of the nursing facility for any assessments, interest, or administrative penalties that are due under this chapter, or rules issued pursuant to § 47-1267. The District of Columbia shall have the priority of a secured creditor.

(e) Any action brought to enforce the provisions of subsection (c) of this section shall be brought in the Superior Court of the District of Columbia by the Attorney General for the District of Columbia in the name of the District of Columbia.

(Dec. 7, 2004, D.C. Law 15-205, § 5202(c), 51 DCR 8441; Oct. 20, 2005, D.C. Law 16-33, § 1242(b), 52 DCR 7503.)

**Effect of amendments.** — D.C. Law 16-33, in subsec. (a), deleted the second sentence, which had read as follows: “The Chief Financial Officer may arrange a payment plan for the

amount of the assessment and interest in arrears.”; and, in subsec. (c), substituted “equal to the tax owed.” for “of not more than \$1,000”.

**Emergency legislation.** — For temporary

(90 day) addition, see § 5202(c) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) addition, see § 5202(c) of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

For temporary (90 day) amendment of section, see § 1242(b) of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-1261.

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

## § 47-1265. Confidentiality; audit; determination or re-determination of assessment.

(a) Unless otherwise provided by law or necessary to carry out the provisions of this chapter, proprietary information submitted by a nursing facility under this chapter is confidential and shall not be disclosed by the Mayor.

(b) The Mayor may audit the information required to be reported by a nursing facility under this chapter, or any rules issued pursuant to § 47-1267, and may use the audited information to determine or redetermine the amount of the assessment due under this chapter.

(c) The Mayor may summon any person to appear before the Mayor to give testimony or answer interrogatories, or to produce books, records, or other pertinent information relating to matters subject to an audit. The summons may be served by a member of the Metropolitan Police Department or by registered mail or certified mail addressed to the person at the person's last dwelling place or principal place of business. A verified return by the person serving the summons, or, in the case of service by registered or certified mail, the return post office receipt signed by the person served, shall be proof of service.

(d) The Mayor may report a person who, having been served pursuant to subsection (c) of this section, neglects or refuses to obey the summons, to the Superior Court of the District of Columbia. The Superior Court may compel obedience to the summons to the same extent as witnesses may be compelled to obey subpoenas of the Superior Court.

(Dec. 7, 2004, D.C. Law 15-205, § 5202(c), 51 DCR 8441.)

**Emergency legislation.** — For temporary (90 day) addition, see § 5202(c) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) addition, see

§ 5202(c) of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-1261.

## § 47-1266. Appeals.

(a)(1) A nursing facility may contest the amount of an assessment, including any interest or administrative penalties, imposed under this chapter, or by rules issued pursuant to § 47-1267, by filing a notice of appeal with the Office of Administrative Hearings within 60 days after the date of the notice of:

(A) An annual assessment under § 47-1263(a);



(B) A determination or redetermination of an assessment based on an audit of information under § 47-1265(b); or

(C) An imposition of interest or administrative penalties under § 47-1264.

(b) The Office of Administrative Hearings shall conduct a hearing on the appeal filed under subsection (a) of this section subject to the provisions of subchapter 1 of Chapter 5 of Title 2 governing adjudication of contested cases, and pursuant to the rules of the Office of Administrative Hearings.

(c) Before filing an appeal pursuant to subsection (a) of this section, the nursing facility shall first pay to the Mayor the assessment, together with any administrative penalties and interest due on the assessment. In no case shall the filing of a notice of appeal act as a stay on the payment of the assessment, interest, or administrative penalties.

(Dec. 7, 2004, D.C. Law 15-205, § 5202(c), 51 DCR 8441.)

**Emergency legislation.** — For temporary (90 day) addition, see § 5202(c) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) addition, see

§ 5202(c) of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-1261.

## § 47-1267. Rules.

The Mayor, pursuant to subchapter I of Chapter 5 of Title 2, shall issue rules to implement the provisions of this chapter.

(Dec. 7, 2004, D.C. Law 15-205, § 5202(c), 51 DCR 8441.)

**Emergency legislation.** — For temporary (90 day) addition, see § 5202(c) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) addition, see

§ 5202(c) of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-1261.

## § 47-1268. Federal determinations; suspension and termination of assessment.

(a) If the federal government determines that an assessment imposed on nursing facilities pursuant to this chapter does not satisfy the requirements for federal financial participation set forth in section 1903(w) of the Social Security Act, approved July 30, 1965 (70 Stat. 349; 42 U.S.C. § 1396b(w)), monies collected pursuant to the assessment shall be refunded to the nursing facilities that paid the assessment and the assessment shall be null and void as of the effective date of the federal determination.

(b) An adverse determination under subsection (a) of this section with respect to an assessment imposed on one or more, but not all nursing facilities pursuant to this chapter shall not affect the validity, amount, applicable rate, or any other terms of an assessment on other nursing facilities imposed by this

chapter. An adverse determination with respect to all assessments imposed by this chapter shall be governed by subsection (a) of this section.

(c) Notwithstanding any other provision of this chapter, if the federal government determines that any exclusions from nursing facilities specified under this chapter would prevent an assessment imposed by this chapter from qualifying as a broad-based health care related tax, as that term is defined in section 1903(w)(3)(B) of the Social Security Act, approved July 30, 1965 (79 Stat. 349; 42 U.S.C. § 1396b(w)(3)(B)), the exclusions shall not be made.

(d) The assessment imposed under § 47-1263(a) shall not be due at the time required by this chapter, or by rules issued pursuant to § 47-1267, if the Department suspends or postpones regular Medicaid payment to nursing facilities beyond the regular monthly payment cycle, but shall be due when the regular monthly payment cycle resumes.

(e)(1) The assessment imposed under § 47-1263(a) shall be null and void if either of the following occurs:

(A) The case mix rate methodology for nursing facilities is altered or amended in a way that has the effect of reducing or adversely affecting the Medicaid rates for nursing facilities; or

(B) In subsequent fiscal years, general funding levels for Medicaid rates for nursing facilities fall below the fiscal year 2005 level of funding, on a per-Medicaid-resident, per-day basis.

(2) For purposes of this subsection, the term “effect of reducing or adversely affecting the Medicaid rates” means the overall average Medicaid per diem rate for nursing facilities is decreased or the altered or amended Medicaid rates, on an overall average per diem basis, are less than they would have been if the case mix reimbursement methodology had not been changed.

(f) If the assessment imposed under § 47-1263(a) becomes null and void, for any reason, the Mayor may seek to amend the State Medicaid plan to adjust the case mix reimbursement methodology.

(Dec. 7, 2004, D.C. Law 15-205, § 5202(c), 51 DCR 8441.)

**Emergency legislation.** — For temporary (90 day) addition, see § 5202(c) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) addition, see

§ 5202(c) of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-1261.

## § 47-1269. Applicability.

This chapter shall apply as of the effective date of final rules implementing a case mix reimbursement methodology issued pursuant to [§ 4-204.62(b)], or as of April 1, 2005, whichever is later.

(Dec. 7, 2004, D.C. Law 15-205, § 5202(c), 51 DCR 8441.)

**Emergency legislation.** — For temporary (90 day) addition, see § 5202(c) of Fiscal Year 2005 Budget Support Emergency Act of 2004

(D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) addition, see



§ 5202(c) of Fiscal Year 2005 Budget Support  
Congressional Review Emergency Act of 2004  
(D.C. Act 15-594, October 26, 2004, 51 DCR  
11725).

**Legislative history of Law 15-205.** — For  
Law 15-205, see notes following § 47-1261.

CHAPTER 12D. STEVIE SELLOWS QUALITY IMPROVEMENT FUND;  
ICF-MR ASSESSMENT.

Sec.

47-1270. Definitions.

47-1271. ICF-MR Quality Improvement Fund.

47-1272. Qualified Facility; eligibility; inspection by the MAA; fund recovery; adverse action prohibition.

47-1273. Assessments on ICF-MRs.

47-1274. Interest and penalties.

Sec.

47-1275. Confidentiality; audit; determination of assessment.

47-1276. Appeals.

47-1277. Rules.

47-1278. Federal determinations; suspension and termination of assessment.

§ 47-1270. Definitions.

For the purposes of this chapter, the term:

(1) "Fund" means the Stevie Sellows Quality Improvement Fund established by this chapter.

(2) "Gross revenue" means the sum of revenue for provisions of services to consumers with developmental disabilities. For purposes of this chapter, gross revenues does not include charitable contributions or interest income.

(3) "Intermediate care facility for the mentally retarded" and "ICF-MR" have the same meaning as under section 1905(d) of the Social Security Act (42 U.S.C. § 1396d(d)), but does not include a facility operated by the federal government.

(4) "Medicaid" means the medical assistance programs authorized by title XIX of the Social Security Act, approved July 30, 1965 (79 Stat. 343; 42 U.S.C. § 1396 et seq.), and by [§ 1-307.02], and administered by the Department of Health.

(5) "Quality of care improvements" means improving the quality of care for consumers with developmental disabilities by efforts to reduce turnover and increase the qualifications of the employees, excluding managers, administrators, and contract employees, such as an increase in salaries or benefits, or an increase in training and educational opportunities.

(6) "Resident" means a person receiving services in an ICF-MR.

(7) "Reimbursement methodology" means the prospective Medicaid payment rate system for intermediate care facilities for persons with the mentally retarded.

(Mar. 8, 2006, D.C. Law 16-68, § 2(b), 53 DCR 47.)

**Legislative history of Law 16-68.** — Law 16-68, the "Stevie Sellows Intermediate Care Facility for the Mentally Retarded Quality Improvement Act of 2005", was introduced in Council and assigned Bill No. 16-170 which was referred to the Committee on Human Services. The Bill was adopted on first and second readings on November 1, 2005, and December 6,

2005, respectively. Signed by the Mayor on December 22, 2005, it was assigned Act No. 16-230 and transmitted to both Houses of Congress for its review. D.C. Law 16-68 became effective on March 8, 2006.

**Editor's notes.** — Section 7067 of D.C. Law 17-219 repealed section 3 of D.C. Law 16-68.

§ 47-1271. ICF-MR Quality Improvement Fund.

(a) There is established a fund designated as the Stevie Sellows Quality



Improvement Fund (“Fund”), which shall be separate from the General Fund of the District of Columbia and shall be used for the purposes set forth in subsection (b) of this section. All assessments collected under this chapter, any and all interest earned on those assessments, and any and all interest and penalties collected under § 47-1274, shall be deposited into the Fund, and shall not revert to the General Fund of the District of Columbia at the end of any fiscal year or at any other time, but shall be continually available for the uses and purposes set forth in subsection (b) of this section, subject to authorization by Congress.

(b) The Fund shall be used to:

(1) Fund quality of care improvements for those facilities who meet the requirements of § 47-1272 of up to \$2.50 per hour, or a higher amount as determined through rulemaking; and

(2) Cover administrative costs of the Department of Health Care Finance (“DHCF”) in administering the Fund, which these costs shall not be more than 5% of the Fund’s total revenues for a fiscal year.

(c) Notwithstanding subsection (b) of this section, of the revenues deposited in the Fund in fiscal year 2011, at least \$1 million shall be used to support quality of care improvements for those facilities that meet the requirements of § 47-1272, and up to \$3.7 million may be used to support Medicaid services in the District of Columbia, including reimbursements for ICF-MRs for the services that they provide.

(d) The Mayor shall submit to the Council, as a part of the annual budget, a requested appropriation for expenditures from the Fund for a fiscal year.

(e) The Mayor shall audit all income and expenses of the Fund annually and provide the annual report to the Council.

(Mar. 8, 2006, D.C. Law 16-68, § 2(b), 53 DCR 47; Sept. 24, 2010, D.C. Law 18-223, § 5032(a), 57 DCR 6242.)

**Effect of amendments.** — D.C. Law 18-223, in subsec. (b)(1), substituted “per hour, or a higher amount as determined through rulemaking” for “per hour”; in subsec. (b)(2), substituted “Department of Health Care Finance (‘DHCF’)” for “Medical Assistance Administration (‘MAA’)”; and rewrote subsec. (c), which had read as follows: “(c) Amounts remaining in the Fund after the disbursements required by subsection (b) of this section shall be used for an increase in the Medicaid per diem reimbursement rate for each ICF-MR above the fiscal year 2006 rate.”

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 5032(a) of Fiscal Year 2011 Budget Support Emergency Act of 2010 (D.C. Act 18-463, July 2, 2010, 57 DCR 6542).

**Legislative history of Law 16-68.** — For Law 16-68, see notes following § 47-1270.

**Legislative history of Law 18-223.** — For Law 18-223, see notes following § 47-355.05.

**Short title.** — Short title: Section 5031 of D.C. Law 18-223 provided that subtitle D of title V of the act may be cited as the “Intermediate Care Facilities Amendment Act of 2010”.

## § 47-1272. Qualified Facility; eligibility; inspection by the MAA; fund recovery; adverse action prohibition.

(a) To be eligible to receive payments from the Fund for a fiscal year, an ICF-MR shall submit the following to the DHCF by June 30 of the prior fiscal year:

(1) Proof of a legally binding written commitment to fund quality of care improvements as defined in § 47-1270;

(2) Proof of an enforcement mechanism of the written commitment to fund quality of care improvements, such as arbitration, that is:

(A) Expeditious;

(B) Uses a neutral decision maker;

(C) Economical for the employees; and

(D) Available to the employees or their representatives; and

(3) Proof that the facility has provided written notice of the terms of the commitment and the availability of the enforcement mechanism to the relevant employees or their recognized representatives.

(b) The DHCF shall terminate the quality improvement funding for a facility if it finds the binding written commitment has expired and does not otherwise remain enforceable.

(c) The DHCF may inspect relevant payroll and personnel records of facilities receiving funds pursuant to this section to ensure that the quality of care improvements provided for in this section have been implemented.

(d) In addition to the remedies provided in § 47-1274, the DHCF may retroactively recover funds provided to a facility for quality of care improvements incurred after expiration of the commitment or if a facility has failed to maintain the commitment.

(e) Enforcement or attempted enforcement of the written commitment pursuant to § 47-1272 shall not constitute a basis for adverse action by a facility against an employee.

(f) Documents submitted by the ICF-MR to show its compliance with § 47-1272 shall be available for public review.

(Mar. 8, 2006, D.C. Law 16-68, § 2(b), 53 DCR 47; Sept. 24, 2010, D.C. Law 18-223, § 5032(b), 57 DCR 6242.)

**Effect of amendments.** — D.C. Law 18-223, in subssecs. (a), (b), and (c), substituted “DHCF” for “MAA”; and, in subsec. (d), substituted “DHCF” for “Department of Health”.

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 5032(b) of Fiscal Year 2011 Budget Support Emergency

Act of 2010 (D.C. Act 18-463, July 2, 2010, 57 DCR 6542).

**Legislative history of Law 16-68.** — For Law 16-68, see notes following § 47-1270.

**Legislative history of Law 18-223.** — For Law 18-223, see notes following § 47-355.05.

## § 47-1273. Assessments on ICF-MRs.

(a) Except as provided in § 47-1278(d), each ICF-MR in the District of Columbia shall pay an assessment of 5.5% per annum of gross revenue.

(b) The Mayor shall provide notice to each ICF-MR of the amount of the assessment for the ensuing fiscal year no later than September 1.

(c) Each ICF-MR shall pay the assessment required by subsection (a) of this section in quarterly installments.

(d) Each ICF-MR shall report gross resident revenue for the period upon which the assessment for a fiscal year is to be determined by submitting an audited financial statement and other information for that period as the Mayor may prescribe by rules issued pursuant to § 47-1277.



(e) If the total amount of the assessments to be collected for a fiscal year is inadequate to cover disbursements required under § 47-1271(b), the Mayor may raise the assessment up to the maximum allowed under federal law.

(Mar. 8, 2006, D.C. Law 16-68, § 2(b), 53 DCR 47; Sept. 24, 2010, D.C. Law 18-223, § 5032(c), 57 DCR 6242.)

**Effect of amendments.** — D.C. Law 18-223, in subsec. (a), substituted “5.5%” for “1.5%”.

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 5032(c) of Fiscal Year 2011 Budget Support Emergency

Act of 2010 (D.C. Act 18-463, July 2, 2010, 57 DCR 6542).

**Legislative history of Law 16-68.** — For Law 16-68, see notes following § 47-1270.

**Legislative history of Law 18-223.** — For Law 18-223, see notes following § 47-355.05.

## § 47-1274. Interest and penalties.

(a)(1) If an ICF-MR fails to pay the full amount of an assessment by the date required by this chapter, or by rules issued pursuant to § 47-1277, the unpaid balance shall accrue interest at the rate of 1.5% per month or any fraction thereof which shall be added to the unpaid balance.

(2) The Chief Financial Officer of the District of Columbia may arrange a payment plan for the amount of the assessment and interest in arrears.

(b) If an ICF-MR fails to file a report required under this chapter, or by rules issued pursuant to § 47-1277, it shall be subject to an administrative penalty equal to 5% of the monthly assessment for each month, or any fraction thereof, that the failure to file continues; except, that the total administrative penalty shall not exceed 25% of the ICF-MR’s annual assessment.

(c)(1) If an ICF-MR that knowingly provides false information in a report required by this chapter, or by rules issued pursuant to § 47-1277, it shall be subject to a penalty of up to \$10,000.

(2) Any action brought to enforce this subsection shall be brought in the Superior Court of the District of Columbia by the Attorney General for the District of Columbia in the name of the District of Columbia.

(d) The District of Columbia shall have:

(1) A lien upon the real and personal property located in the District of Columbia of the ICF-MR for any assessments, interest, or administrative penalties that are due under this chapter, or rules issued pursuant to § 47-1277; and

(2) The priority of a secured creditor.

(Mar. 8, 2006, D.C. Law 16-68, § 2(b), 53 DCR 47.)

**Legislative history of Law 16-68.** — For Law 16-68, see notes following § 47-1270.

## § 47-1275. Confidentiality; audit; determination of assessment.

(a) Unless otherwise provided by law or necessary to carry out the provisions of this chapter, proprietary information submitted by an ICF-MR under this chapter is confidential and shall not be disclosed.

(b) The Mayor may audit the information required to be reported by an ICF-MR under this chapter, or any rules issued pursuant to § 47-1277, and may use the audited information to determine, or redetermine, the amount of an assessment due under this chapter.

(c)(1) The Mayor may summon any person to appear to give testimony or answer interrogatories, or to produce books, records, or other information relating to matters subject to an audit.

(2) The summons shall be served by a member of the Metropolitan Police Department or by registered mail or certified mail addressed to the person at the last known dwelling place or principal place of business.

(3) A verified return by the person serving the summons, or, in the case of service by registered or certified mail, the return post office receipt signed by the person served shall be proof of service.

(d) The Mayor may report a person who, having been served pursuant to subsection (c) of this section, neglects or refuses to obey the summons, to the Superior Court of the District of Columbia. The Superior Court may compel obedience to the summons to the same extent as witnesses may be compelled to obey subpoenas of the Superior Court.

(Mar. 8, 2006, D.C. Law 16-68, § 2(b), 53 DCR 47.)

**Legislative history of Law 16-68.** — For Law 16-68, see notes following § 47-1270.

## § 47-1276. Appeals.

(a) An ICF-MR may contest the amount of an assessment, including any interest or administrative penalties, imposed under this chapter, or by rules issued pursuant to § 47-1277, by filing a notice of appeal with the Office of Administrative Hearings within 60 days after the date of the notice of:

(1) An annual assessment under § 47-1273;

(2) A determination or redetermination of an assessment based on an audit of information under § 47-1275; or

(3) An imposition of interest or administrative penalties under § 47-1274.

(b) The Office of Administrative Hearings shall conduct a hearing on the appeal filed under subsection (a) of this section subject to the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1204; D.C. Code § 2-501 et seq.), and pursuant to the rules of the Office of Administrative Hearings.

(c) Before filing an appeal pursuant to subsection (a) of this section, the ICF-MR shall pay the assessment, together with any administrative penalties and interest due on the assessment. In no case shall the filing of a notice of appeal act as a stay on the payment of the assessment, interest, or administrative penalties.

(Mar. 8, 2006, D.C. Law 16-68, § 2(b), 53 DCR 47.)

**Legislative history of Law 16-68.** — For Law 16-68, see notes following § 47-1270.



**§ 47-1277. Rules.**

The Mayor, in consultation with the Department of Health and ICF-MR and employee representatives, shall issue rules to implement the provisions of this chapter.

(Mar. 8, 2006, D.C. Law 16-68, § 2(b), 53 DCR 47.)

**Legislative history of Law 16-68.** — For Law 16-68, see notes following § 47-1270.

**§ 47-1278. Federal determinations; suspension and termination of assessment.**

(a) If the federal government determines that an assessment imposed on an ICF-MR pursuant to this chapter does not satisfy the requirements for federal financial participation set forth in section 1903(w) of the Social Security Act, approved July 30, 1965 (70 Stat. 349; 42 U.S.C. § 1396b(w)), monies collected pursuant to the assessment shall be refunded and the assessment shall be null and void.

(b)(1) An [sic] determination adverse to the District under subsection (a) of this section with respect to an assessment imposed on one or more, but not all ICF-MRs pursuant to this chapter shall not affect the validity, amount, applicable rate, or any other terms of an assessment on other facilities imposed by this chapter.

(2) An adverse determination with respect to all assessments imposed by this chapter shall be governed by subsection (a) of this section.

(c) Notwithstanding any other provision of this chapter, if the federal government determines that any exclusions from ICF-MRs specified under this chapter would prevent an assessment imposed by this chapter from qualifying as a broad-based health care related tax, as that term is defined in section 1903(w)(3)(B) of the Social Security Act, approved July 30, 1965 (79 Stat. 349; 42 U.S.C. § 1396b(w)(3)(B)), the exclusions shall not be made.

(d) The assessment imposed under § 47-1273 shall not be due at the time required by this chapter, or by rules issued pursuant to § 47-1277, if the Department of Health suspends or postpones regular Medicaid payment to ICF-MRs beyond the regular monthly payment cycle, but shall be due when the regular monthly payment cycle resumes.

(e) The assessment imposed under § 47-1273 shall be null and void if either of the following occurs:

(1) The rate methodology for ICF-MRs is altered or amended such that the overall average Medicaid per diem rate for ICF-IDDs is decreased or on, an overall average per diem basis, the altered or amended rates are less than they would have been if the reimbursement methodology had not been changed; or

(2) Following fiscal year 2006, general funding levels for Medicaid rates for ICF-MRs fall below the fiscal year 2006 level of funding, on a per-Medicaid-resident, per-day basis.

(Mar. 8, 2006, D.C. Law 16-68, § 2(b), 53 DCR 47.)

**Cross references.** — Building safety, threatening conditions, special assessments on real property owners, see § 42-3131.01.

Litter control, fines and penalties, liens on real property, see § 8-807.

Property exempt from taxation, federally funded housing programs, payments imposed on limited dividend, limited profit, and profit owners, see § 47-1002.

Real property assessments and taxes, delinquencies, tax sales, see §§ 47-847 and 47-848.

Special assessments, delinquencies, see §§ 47-1203 and 47-1204.

Special assessments, nuisance abatement, delinquencies, see § 47-1205.

Water and sanitary sewer services, liens imposed on delinquent real property owners, see § 34-2407.02.

**Legislative history of Law 16-68.** — For Law 16-68, see notes following § 47-1270.



## CHAPTER 13. REAL PROPERTY TAX SALES.

Sec.	Sec.
47-1301. Delinquent taxes — List; notice of sale; public auction.	47-1309. Real property tax assignment; sale and transfers — Advertising expenses.
47-1302. Delinquent taxes — Notice to record owner; contents.	47-1310. Duties of Assessor — Furnishment of information.
47-1303. Delinquent taxes — Sale of property.	47-1311. Same — Preparation of list of sold property.
47-1303.01. Definitions for §§ 47-1303.02 and 47-1303.03.	47-1312. Liens for taxes or assessments — Petition to enforce; redemption.
47-1303.02. Private sale of unimproved residential real property bid off in the name of the District.	47-1313. Liens for taxes or assessments — Notice to record owner; proper parties defendant; court order; validity of judicial service and sale.
47-1303.03. Tax deed.	47-1314. Liens for taxes or assessments — Sale of property.
47-1303.04. Real property tax assignment; sale and transfers.	47-1315. Liens for taxes or assessments — Confirmation of sale; amount payable; disposition of surplus; delivery of deed.
47-1304. Real property tax assignment; sale and transfers — Deposit required; certificate of sale; tax deed; redemption.	47-1316. Errors in computation not to affect sales.
47-1305. [Repealed].	47-1317. Refunds — Taxes erroneously paid.
47-1306. Real property tax assignment; sale and transfers — Right of redemption.	47-1318. Refunds — Money deposited for license.
47-1307. Real property tax assignment; sale and transfers — Report to be filed with Recorder of Deeds; disposition of surplus; redemption.	47-1319. Disposition of redemption moneys.
47-1308. Real property tax assignment; sale and transfers — Invalid sales.	47-1320. Delinquent taxpayers — bidding at tax sales prohibited.
	47-1321. Regulations.

### § 47-1301. Delinquent taxes — List; notice of sale; public auction.

(a) The Assessor of the District of Columbia shall prepare a list of all taxes on real property in the District subject to taxation on which the taxes are levied and in arrears on the first day of July of each year and on the first day of October of each year beginning with tax year 1994 and each tax year thereafter. The notice of sale and the delinquent tax list shall be advertised according to regulations prescribed by the Council of the District of Columbia in not less than 2 general circulation newspapers, published in the District, once every 2 weeks or more frequently. If the taxes due, together with the penalties and costs that may have accrued thereon, shall not be paid prior to the day fixed for sale, the property will be sold, under the direction of the Mayor of the District of Columbia, at public auction at the office of the said Collector of Taxes, commencing at least 3 weeks after the first publication of said notice and continuing on each following day, Saturdays, Sundays and legal holidays excepted, until all said delinquent property is sold; a description sufficient to identify the property shall be considered a proper description.

(b)(1) Notwithstanding the provisions of subsection (a) of this section, only real property taxes delinquent as of October 1, 1993, that remain unpaid at the time of sale, shall be sold at the January 1995 real property tax sale.

(2) Real property taxes delinquent as of October 1, 1994, that remain

unpaid at the time of sale shall be sold at the real property tax sale to be held on the third Tuesday in July 1995.

(3) Beginning calendar year 1996 and each year thereafter, the annual real property tax sale shall be held on the third Tuesday in July.

(Feb. 28, 1898, 30 Stat. 250, ch. 32, § 1; July 1, 1902, 32 Stat. 632, ch. 1358, § 1(1); July 3, 1926, 44 Stat. 834, ch. 759, § 9; Mar. 2, 1927, 44 Stat. 1303, ch. 271; May 21, 1928, 45 Stat. 650, ch. 659; Feb. 25, 1929, 45 Stat. 1268, ch. 314; Oct. 26, 1973, 87 Stat. 508, Pub. L. 93-140, § 25(a); Mar. 16, 1982, D.C. Law 4-81, § 5, 29 DCR 156; Sept. 30, 1993, D.C. Law 10-25, § 108, 40 DCR 5489; June 14, 1994, D.C. Law 10-127, § 8, 41 DCR 2050; Sept. 26, 1995, D.C. Law 11-52, § 109(a), 42 DCR 3684; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 504(f), 48 DCR 334; Oct. 19, 2002, D.C. Law 14-213, § 33(m), 49 DCR 8140.)

**Section references.** — This section is referred to in §§ 6-806, 8-1181.03, 34-2407.02, 47-1303, 47-1303.04, and 47-1304.

**Prior Codifications.** — 1981 Ed., § 47-1301.

1973 Ed., § 47-1001.

**Effect of amendments.** — D.C. Law 13-305, in subsec. (a), inserted “, Saturdays”.

D.C. Law 14-213, in subsec. (a), validated a previously made technical correction.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 108 of Omnibus Budget Support Temporary Act of 1993 (D.C. Law 10-11, August 6, 1993, law notification 40 DCR 6213).

For temporary (225 day) amendment of section, see § 107(a) of Multiyear Budget Spending Reduction and Support Temporary Act of 1994 (D.C. Law 10-253, March 23, 1995, law notification 42 DCR 1652).

For temporary (225 day) amendment of section, see § 4(g) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary amendment of section, see § 109(a) of the Omnibus Budget Support Congressional Review Emergency Act of 1995 (D.C. Act 11-124, July 27, 1995, 42 DCR 4160).

For temporary (90 day) amendment of section, see § 4(f) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 4-81.** — Law 4-81, the “Newspaper Publication Act of 1981,” was introduced in Council and assigned Bill No. 4-323, which was referred to the Committee on the Judiciary. The Bill was adopted on first and second readings on November 10, 1981, and November 24, 1981, respectively. Signed by the Mayor on December 21, 1981, it was as-

signed Act No. 4-135 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 10-25.** — Law 10-25, the “Omnibus Budget Support Act of 1993,” was introduced in Council and assigned Bill No. 10-165, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on June 1, 1993, and June 29, 1993, respectively. Signed by the Mayor on July 16, 1993, it was assigned Act No. 10-57 and transmitted to both Houses of Congress for its review. D.C. Law 10-25 became effective on September 30, 1993.

**Legislative history of Law 10-127.** — Law 10-127, the “Real Property Statutory and Filing Deadlines Conformity Amendment Act of 1994,” was introduced in Council and assigned Bill No. 10-450, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on February 1, 1994, and March 22, 1994, respectively. Signed by the Mayor on April 13, 1994, it was assigned Act No. 10-221 and transmitted to both Houses of Congress for its review. D.C. Law 10-127 became effective on June 14, 1994.

**Legislative history of Law 11-52.** — Law 11-52, the “Omnibus Budget Support Act of 1995,” was introduced in Council and assigned Bill No. 11-218, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on April 19, 1995, and June 6, 1995, respectively. Signed by the Mayor on July 13, 1995, it was assigned Act No. 11-94 and transmitted to both Houses of Congress for its review. D.C. Law 11-52 became effective on September 26, 1995.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 14-213.** — For Law 14-213, see notes following § 47-820.

**Editor’s notes.** — Office of Assessor abolished: See Historical and Statutory Notes following § 47-413.



Office of Collector of Taxes abolished: See Historical and Statutory Notes following § 47-401.

## CASE NOTES

### ANALYSIS

Construction and application.

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### Construction and application.

If the District of Columbia fails to comply in every respect with the tax sale statute and regulations, the sale is invalid and must be set aside. *CCD-SAT, Inc. v. Pratt*, 972 A.2d 322, 2009 D.C. App. LEXIS 164 (2009).

The District of Columbia can effectuate a valid conveyance of property for nonpayment of real estate taxes only by strict compliance with the tax sale statute and regulations. *CCD-SAT, Inc. v. Pratt*, 972 A.2d 322, 2009 D.C. App. LEXIS 164 (2009).

The law requires strict compliance with the statutes and regulations governing tax sales of real property. *Bembery v. District of Columbia*, 852 A.2d 935, 2004 D.C. App. LEXIS 306 (2004).

The District of Columbia may effect a valid conveyance of property for nonpayment of real estate taxes only by strict compliance with the statutes and regulations that govern tax sales. *Bembery v. District of Columbia*, 852 A.2d 935, 2004 D.C. App. LEXIS 306 (2004).

The power to convey property for nonpayment of taxes can be validly exercised only by strict compliance with the relevant statutes and regulations. *Jones v. Grieg*, 829 A.2d 195, 2003 D.C. App. LEXIS 473 (2003).

Previous landowner's simple assertion, unsupported by the evidence, that the District of Columbia did not follow proper procedures when it sold his property for delinquent taxes, was insufficient to establish a prima facie defense, as factor considered on review of a denial of a motion to vacate a default judgment. *Venison v. Robinson*, 756 A.2d 906, 2000 D.C. App. LEXIS 171 (2000).

"Once every two weeks," as used in statute governing publication requirement of notices of tax sales refers to frequency with which newspapers are published, and does not require that notice be published twice in each of two general circulation newspapers. D.C. Code 1981, § 47-1301. *Jones v. District of Columbia*, 585 A.2d 1320, 1990 D.C. App. LEXIS 331 (1990).

Statutory notice provisions for tax deed sale must be strictly complied with. D.C. Code § 47-1001. *Shenandoah Corp. v. Pringle*, 385 A.2d 748, 1978 D.C. App. LEXIS 507 (1978).

District of Columbia's statutory requirements for publication of notice of tax sale are construed stringently in order to protect the constitutional rights of property owners. D.C. Code § 47-1001. *Coleman v. Scheve*, 367 A.2d 135, 1976 D.C. App. LEXIS 433 (1976).

"Office," as used in this section, refers to any place at which the business of the Department of Finance and Revenue is being transacted, and the practice of holding the auction in the police line-up room to accommodate the large number of people attending was in compliance. *Scheve v. Short*, 114 WLR 2601 (Super. Ct. 1986).

### Due process.

District of Columbia's letter informing taxpayers that a tax deed was going to be issued unless they paid back taxes fell short of due process requirement of notice after envelope containing notice of expiration of redemption period was returned unclaimed more than three years earlier; the taxpayers owned two pieces of property and lived at the property sold for failure to pay taxes, and the District mailed both letters to the other address. *Jones v. Grieg*, 829 A.2d 195, 2003 D.C. App. LEXIS 473 (2003).

Due process does not require actual notice of tax deficiency and sale, but requires notice reasonably calculated, under all circumstances, to apprise interested parties of pendency of action and to afford them opportunity to present their objections. *Robinson v. Kerwin*, 454 A.2d 1302, 1982 D.C. App. LEXIS 411 (1982).

Property owners who had actual knowledge of tax debt, the manner in which tax sales are announced, the fact that a sale had occurred, the existence of the two-year redemption period and had extensive experience with tax sales and redemptions and personally visited assessor's office before redemption period had expired, were not denied due process with respect to tax sale of property, despite claim that notice by publication, even though accompanied by notice through the mail, is per se deficient to permit divesting an individual of property consistent with due process of law. D.C. Code §§ 47-1001, 47-1003. *Coleman v. Scheve*, 367 A.2d 135, 1976 D.C. App. LEXIS 433 (1976).

Fact that District of Columbia changed time of year in which tax sales were made did not

rise to level of a due process deprivation, particularly in light of the District's efforts to acquaint property owners with the expiring redemption period. D.C. Code §§ 47-1001, 47-1003. *Coleman v. Scheve*, 367 A.2d 135, 1976 D.C. App. LEXIS 433 (1976).

Heirs at law of deceased record owner of realty were not deprived of due process of law by tax sale of the property without actual notice where the district complied with the statutory requirements on notice and the provisions governing the manner in which real property is to be assessed, i.e., mailed the required notices to the record owner. D.C. Code §§ 47-701, 47-1001, 47-1001a, 47-1012. *Moore v. Government of Dist. of Columbia*, 332 A.2d 749, 1975 D.C. App. LEXIS 327 (1975).

#### Effect on sale.

If the District of Columbia does not strictly comply with the relevant statutes and regulations governing sale of property for nonpayment of taxes, the sale is invalid and must be set aside. *Jones v. Grieg*, 829 A.2d 195, 2003 D.C. App. LEXIS 473 (2003).

District deviated from requirements of tax sale statute and regulations in sending notice to property owner of the expiring redemption period by ordinary mail, rather than registered or certified mail, and thus, conveyance of the property to tax sale purchaser was invalid, even if owner had actual notice of expiration of redemption period. *Associated Estates, LLC v. Caldwell*, 779 A.2d 939, 2001 D.C. App. LEXIS 194 (2001).

The general rule against requiring the record owner to reimburse the tax sale purchaser for improvements to the property when the tax sale is voided is not absolute; when the tax sale purchaser must account to the record owner for the rentals or other profits that it earned from its temporary possession of the property, the tax purchaser may be entitled to an offset against its earnings for amounts it expended to maintain the property. *Associated Estates, LLC v. Caldwell*, 779 A.2d 939, 2001 D.C. App. LEXIS 194 (2001).

District of Columbia's failure to comply with tax sale regulation requiring it to publish notice of each tax sale more than once in each of two newspapers of general circulation, which was in District of Columbia Municipal Regulations (DCMR) purely as result of administrative error, did not require that tax sales be set aside, where there was no showing of prejudice. *Sheetz v. District of Columbia*, 629 A.2d 515, 1993 D.C. App. LEXIS 187 (1993).

Failure to advertise property in two newspapers before second tax sale and failure to publish accumulation of arrearages in notice of that tax sale did not void previous tax sale. *Robinson v. Kerwin*, 454 A.2d 1302, 1982 D.C. App. LEXIS 411 (1982).

Failure of notice published in newspaper to comply with statute concerning publishing delinquent tax list voided tax sale. D.C. Code §§ 47-1001, 47-1002; Act June 14, 1935, 49 Stat. 346; Act April 8, 1960, 74 Stat. 17; Act July 16, 1970, 84 Stat. 432. *Potomac Bldg. Corp. v. Karkenny*, 364 A.2d 809, 1976 D.C. App. LEXIS 367 (1976), writ of certiorari denied by 431 U.S. 921, 97 S. Ct. 2192, 53 L. Ed. 2d 234, 1977 U.S. LEXIS 1852 (1977).

#### In general.

The District may effect a valid conveyance of property for nonpayment of real estate taxes only by strict compliance with the tax sale statute and regulations. *Robinson v. Kerwin*, App. D.C., 454 A.2d 1302 (1982); *Hines v. Monarch Novelty Co.*, 113 WLR 1253 (Super. Ct. 1985).

If the District of Columbia fails to comply in every respect with the applicable statute and regulations, a tax sale is invalid and must be set aside. *Bembery v. District of Columbia*, 852 A.2d 935, 2004 D.C. App. LEXIS 306 (2004).

The District may effect a valid conveyance of property for nonpayment of real estate taxes only by strict compliance with the tax sale statute and regulations. *Associated Estates, LLC v. Caldwell*, 779 A.2d 939, 2001 D.C. App. LEXIS 194 (2001).

Strict compliance with the tax sale statute and regulations, as required for valid sale, does not mean absolute perfection. *Associated Estates, LLC v. Caldwell*, 779 A.2d 939, 2001 D.C. App. LEXIS 194 (2001).

Generally speaking, rights and liabilities under tax sale proceedings rest entirely upon the statutes involved. *Associated Estates, LLC v. Caldwell*, 779 A.2d 939, 2001 D.C. App. LEXIS 194 (2001).

Rights and liabilities under tax sale proceedings rest entirely upon statutes involved. D.C. Code 1981, § 47-1301 et seq. *McCulloch v. District of Columbia*, 685 A.2d 399, 1996 D.C. App. LEXIS 248 (1996).

Department of Finance and Revenue has no statutory or constitutional duty to update its records from probate records, for purposes of tax sale. D.C. Code 1981, §§ 47-820(c), 47-1301, 47-1302, 47-1304, 47-1306(a); U.S.C. Const. Amends. 5, 14. *Malone v. Robinson*, 614 A.2d 33, 1992 D.C. App. LEXIS 219 (1992).

If District of Columbia failed to comply with tax sale statute and regulations, sale was invalid and would be set aside. D.C. Code 1981, §§ 47-1301, 47-1302, 47-1304. *Malone v. Robinson*, 614 A.2d 33, 1992 D.C. App. LEXIS 219 (1992).

Any property may be sold at tax foreclosure sale for nonpayment of property taxes and assessments. *District of Columbia v. Mayhew*, 601 A.2d 37, 1991 D.C. App. LEXIS 338 (1991),



remanded by 672 A.2d 1075, 1996 D.C. App. LEXIS 31 (D.C. 1996).

District's power to sell real property in satisfaction of delinquent taxes is subject to various notice requirements. D.C. Code 1973, §§ 47-1001, 47-1001a. *Frassetto v. Barry*, 497 A.2d 109, 1985 D.C. App. LEXIS 462 (1985).

Statutory notice with respect to tax sale is mandatory and is not to be declared nonessential under guise of substantial compliance. D.C. Code §§ 47-1001, 47-1002; Act June 14, 1935, 49 Stat. 346; Act April 8, 1960, 74 Stat. 17; Act July 16, 1970, 84 Stat. 432. *Potomac Bldg. Corp. v. Karkenny*, 364 A.2d 809, 1976 D.C. App. LEXIS 367 (1976), writ of certiorari denied by 431 U.S. 921, 97 S. Ct. 2192, 53 L. Ed. 2d 234, 1977 U.S. LEXIS 1852 (1977).

### **Purpose.**

Strict compliance with the tax sale statute and regulations is required for a valid conveyance of property for nonpayment of real estate taxes to guard against the deprivation of property without due process of law, and because it is the policy of the state to give the delinquent taxpayer every reasonable opportunity, compatible with the rights of the state, to redeem his property. *Associated Estates, LLC v. Caldwell*, 779 A.2d 939, 2001 D.C. App. LEXIS 194 (2001).

Intent of Congress in enacting statutory notice provisions for tax deed sale was to ensure due notice to property owner who stands to be divested of property. D.C. Code § 47-1001. *Shenandoah Corp. v. Pringle*, 385 A.2d 748, 1978 D.C. App. LEXIS 507 (1978).

### **Standing.**

Property owners did not have standing to challenge constitutionality of statutes governing tax sales of real property on grounds that mortgagees would not receive adequate notice before sale; absent specific injury traceable to alleged constitutional violation, property owners had no standing. D.C. Code 1981, §§ 47-1301 to 47-1319. *Jones v. District of Columbia*, 585 A.2d 1320, 1990 D.C. App. LEXIS 331 (1990).

### **Sufficiency of notice.**

Actual notice of the expiration of the redemption period is not mandated by the statutes or regulations, and notice by mail to the record owner generally satisfies due process commands. *Jones v. Grieg*, 829 A.2d 195, 2003 D.C. App. LEXIS 473 (2003).

If the District of Columbia does send notice to the record owner by registered or certified mail and the notice is returned unclaimed, the District is then required to take some additional

step to notify the record owner of the expiration of redemption period following tax sale. *Jones v. Grieg*, 829 A.2d 195, 2003 D.C. App. LEXIS 473 (2003).

When a notice that a redemption period is about to expire is returned by the post office as "unclaimed" and the District of Columbia makes no attempt thereafter to ensure that the record owner receives some kind of notice of the imminent expiration, it has not complied with the "additional step" requirement to give notice of the imminent expiration. *Jones v. Grieg*, 829 A.2d 195, 2003 D.C. App. LEXIS 473 (2003).

Use of abbreviation "Geo. O. & A. V. Newsome" for "George O. Newsome" and "Alma V. Newsome" did not materially affect accuracy of tax sale notices or create substantial risk of misleading intended recipients; property owners did not dispute accuracy of either publication and mailing address or of surname designation, Mr. Newsome's designation used standard abbreviation of his first name and his correct middle initial, and Mrs. Newsome was correctly identified by her first and middle initials. D.C. Code 1981, §§ 47-1301, 47-1302. *Gore v. Newsome*, 614 A.2d 40, 1992 D.C. App. LEXIS 230 (1992).

Notice to property owner of tax sale would not be defective so as to invalidate tax sale merely because District of Columbia deviated from the tax records by abbreviating owners' first names; rather, test is whether the type of abbreviation used materially affected accuracy of notice or created substantial risk that record owner will erroneously believe notice was intended for someone else. D.C. Code 1981, §§ 47-1301, 47-1302. *Gore v. Newsome*, 614 A.2d 40, 1992 D.C. App. LEXIS 230 (1992).

Notice of publication which has not yet taken place is not sufficient notice under statutory notice provisions for tax deed sale. D.C. Code § 47-1001. *Shenandoah Corp. v. Pringle*, 385 A.2d 748, 1978 D.C. App. LEXIS 507 (1978).

Notice procedure utilized by District of Columbia with respect to tax sales was reasonably calculated, under all circumstances, to apprise interested parties of pendency of action and afford them an opportunity to present their objections. D.C. Code § 47-1001. *Coleman v. Scheve*, 367 A.2d 135, 1976 D.C. App. LEXIS 433 (1976).

### **Validity.**

Property owners failed to overcome presumption of constitutionality that attached to statute requiring that notice of tax sale be published only once in each of two newspapers of general circulation. D.C. Code 1981, § 47-1301. *Jones v. District of Columbia*, 585 A.2d 1320, 1990 D.C. App. LEXIS 331 (1990).

**§ 47-1302. Delinquent taxes — Notice to record owner; contents.**

(a) Annually and subsequent to July 1st, the Assessor of the District of Columbia shall mail to the record owner of each lot or parcel of land upon which a real property tax has been levied by the District of Columbia as of July 1st of the same year, a notice of the amount of the real property tax, and of the manner in which the amount of the real property tax is payable according to law. The notice shall state whether there were any delinquent real property taxes unpaid on July 1st of the year in which the notice is sent; provided, that if the address of the owner is unknown, the notice shall be mailed to the owner's agent, if known; and if there is more than 1 record owner of any lot or parcel, notice mailed to 1 of the owners shall be deemed in compliance with this section; provided further, that nothing in this section shall affect in any way the provisions of § 47-1203; provided further, that failure of the property owner or the property owner's agent to receive the notice shall not relieve the property owner of payment of any penalty or interest as required by law for the delinquent payment of real property taxes; provided further, that the term "record owner" shall include 1 or more persons whose leasehold interest or interests in a leasehold condominium, as that term is defined in § 42-1901.02(18), extends for the entire balance of the unexpired term or terms.

(b) Notwithstanding the provisions in subsection (a) of this section, beginning October 1, 1993, and for each tax year thereafter, annually and subsequent to October 1st, the Assessor of the District of Columbia shall mail to the record owner of each lot or parcel of land upon which a real property tax has been levied by the District of Columbia as of October 1st of the same year, a notice of the amount of such real property tax, and of the manner in which the amount of such real property tax is payable according to law. The notice shall state whether there were any delinquent real property taxes unpaid on October 1st of the year in which the notice is sent; provided, that if the address of the owner is unknown, the notice shall be mailed to the owner's agent, if known; and if there is more than 1 record owner of any lot or parcel, notice mailed to 1 of the owners shall be deemed compliance with this section; provided further, that nothing in this section shall affect in any way the provisions of § 47-1203; provided further, that failure of the property owner or the property owner's agent to receive the notice shall not relieve the property owner of payment of any penalty or interest as required by law for the delinquent payment of real property taxes; provided further, that the term "record owner" shall include 1 or more persons whose leasehold interest or interests in a leasehold condominium, as that term is defined in § 42-1901.02(18), extends for the entire balance of the unexpired term or terms.

(June 25, 1938, ch. 702, § 12; Oct. 5, 1943, 57 Stat. 570, ch. 256; Dec. 18, 1979, D.C. Law 3-40, § 5, 26 DCR 1950; Sept. 30, 1993, D.C. Law 10-25, § 109, 40 DCR 5489; June 14, 1994, D.C. Law 10-127, § 7, 41 DCR 2050; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)



**Section references.** — This section is referred to in § 47-1304.

**Prior Codifications.** — 1981 Ed., § 47-1302.

1973 Ed., § 47-1001a.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 109 of Omnibus Budget Support Temporary Act of 1993 (D.C. Law 10-11, August 6, 1993, law notification 40 DCR 6213).

**Legislative history of Law 3-40.** — Law 3-40, the “Real Property Tax Rates for Tax Year 1980 Act,” was introduced in Council and assigned Bill No. 3-176, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on

September 25, 1979 and October 9, 1979, respectively. Signed by the Mayor on October 26, 1979, it was assigned Act No. 3-112 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 10-25.** — For legislative history of D.C. Law 10-25, see Historical and Statutory Notes following § 47-1301.

**Legislative history of Law 10-127.** — For legislative history of D.C. Law 10-127, see Historical and Statutory Notes following § 47-1301.

**Editor’s notes.** — Office of Assessor abolished: See Historical and Statutory Notes following § 47-413.

## CASE NOTES

### ANALYSIS

Denial of receipt.

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Use of abbreviations.

### Denial of receipt.

Where final notice of delinquency was mailed to landowner, announcing that further nonpayment would result in sale, and where certified or registered letter notifying landowner that redemption period was soon to expire was received by person who customarily delivered mail to the landowner, fact that the landowner claimed that he did not receive any notice did not prove that efforts of the District of Columbia to notify him were insufficient. D.C. Code §§ 47-1001, 47-1001a. *Dodson v. Scheve*, 339 A.2d 39, 1975 D.C. App. LEXIS 396 (1975), writ of certiorari denied by 424 U.S. 909, 96 S. Ct. 1103, 47 L. Ed. 2d 312, 1976 U.S. LEXIS 461 (1976).

Landowner to whom District of Columbia mailed final notice of delinquency prior to sale was sufficiently notified of forthcoming conveyance of property due to tax delinquency, even though she claimed that she did not receive the letter, which was dated December 1, 1972, until March 19, 1973, five days after District of Columbia deeded the property to others. D.C. Code §§ 47-1001, 47-1001a. *Dodson v. Scheve*, 339 A.2d 39, 1975 D.C. App. LEXIS 396 (1975), writ of certiorari denied by 424 U.S. 909, 96 S. Ct. 1103, 47 L. Ed. 2d 312, 1976 U.S. LEXIS 461 (1976).

### Due process.

Due process requires notice reasonably calculated, under all the circumstances, to apprise interested parties of the pendency of the action to sell at auction any property upon which

taxes are delinquent and afford them an opportunity to present their objections. *Bembery v. District of Columbia*, 852 A.2d 935, 2004 D.C. App. LEXIS 306 (2004).

Actual notice of the expiration of the redemption period is not mandated by the statutes or regulations, and notice by mail to the record owner generally satisfies due process commands. *Jones v. Grieg*, 829 A.2d 195, 2003 D.C. App. LEXIS 473 (2003).

If the District of Columbia does send notice to the record owner by registered or certified mail and the notice is returned unclaimed, the District is then required to take some additional step to notify the record owner of the expiration of redemption period following tax sale. *Jones v. Grieg*, 829 A.2d 195, 2003 D.C. App. LEXIS 473 (2003).

District of Columbia’s letter informing taxpayers that a tax deed was going to be issued unless they paid back taxes fell short of due process requirement of notice after envelope containing notice of expiration of redemption period was returned unclaimed more than three years earlier; the taxpayers owned two pieces of property and lived at the property sold for failure to pay taxes, and the District mailed both letters to the other address. *Jones v. Grieg*, 829 A.2d 195, 2003 D.C. App. LEXIS 473 (2003).

Landowner has a due process right to written notice of tax sale as a constitutional precondition to safeguard interest in the adversely affected property. *Langon v. Reilly*, 802 A.2d 951, 2002 D.C. App. LEXIS 317 (2002).

Due process does not require actual notice of tax deficiency and sale, but requires notice reasonably calculated, under all circumstances, to apprise interested parties of pendency of action and to afford them opportunity to present their objections. *Robinson v. Kerwin*, 454 A.2d 1302, 1982 D.C. App. LEXIS 411 (1982).

District of Columbia, by mailing to landowner, who had been delinquent 14 times

within recent years but who had, on the first 13 occasions, managed to pay tax bill in time, notice of delinquency announcing that further nonpayment would result in sale and, thereafter sending registered or certified mail informing landowner that redemption period was about to expire, took efforts which were reasonably calculated to apprise the landowner of the pendency of the action and satisfied requirements of due process. D.C. Code §§ 47-1001, 47-1001a. *Dodson v. Scheve*, 339 A.2d 39, 1975 D.C. App. LEXIS 396 (1975), writ of certiorari denied by 424 U.S. 909, 96 S. Ct. 1103, 47 L. Ed. 2d 312, 1976 U.S. LEXIS 461 (1976).

### Effect on sale.

The District of Columbia can effectuate a valid conveyance of property for nonpayment of real estate taxes only by strict compliance with the tax sale statute and regulations. *Langon v. Reilly*, 802 A.2d 951, 2002 D.C. App. LEXIS 317 (2002).

If the District of Columbia fails to comply in every respect with the statute and regulations on sale of property for failure to pay real estate taxes, the sale is invalid and must be set aside. *Langon v. Reilly*, 802 A.2d 951, 2002 D.C. App. LEXIS 317 (2002).

District deviated from requirements of tax sale statute and regulations in sending notice to property owner of the expiring redemption period by ordinary mail, rather than registered or certified mail, and thus, conveyance of the property to tax sale purchaser was invalid, even if owner had actual notice of expiration of redemption period. *Associated Estates, LLC v. Caldwell*, 779 A.2d 939, 2001 D.C. App. LEXIS 194 (2001).

The general rule against requiring the record owner to reimburse the tax sale purchaser for improvements to the property when the tax sale is voided is not absolute; when the tax sale purchaser must account to the record owner for the rentals or other profits that it earned from its temporary possession of the property, the tax purchaser may be entitled to an offset against its earnings for amounts it expended to maintain the property. *Associated Estates, LLC v. Caldwell*, 779 A.2d 939, 2001 D.C. App. LEXIS 194 (2001).

If District of Columbia failed to comply with tax sale statute and regulations, sale was invalid and would be set aside. D.C. Code 1981, §§ 47-1301, 47-1302, 47-1304. *Malone v. Robinson*, 614 A.2d 33, 1992 D.C. App. LEXIS 219 (1992).

### Evidence.

Evidence supported conclusion that the District of Columbia failed to notify the taxpayer of the sale of the property for failure to pay real estate taxes; employee for owner's conservator testified that the conservator had paid out-

standing taxes, completed a change of address form for the Office of Tax and Revenue, but never received mail regarding the sale, and co-owners also testified that they never received notice of the sale. *Langon v. Reilly*, 802 A.2d 951, 2002 D.C. App. LEXIS 317 (2002).

### In general.

"Record owner," for purposes of the statutes and regulations governing tax sales of real property, is the holder of the title, at the time of notice, as set forth in the public records. *Bembrey v. District of Columbia*, 852 A.2d 935, 2004 D.C. App. LEXIS 306 (2004).

When a notice that a redemption period is about to expire is returned by the post office as "unclaimed" and the District of Columbia makes no attempt thereafter to ensure that the record owner receives some kind of notice of the imminent expiration, it has not complied with the "additional step" requirement to give notice of the imminent expiration. *Jones v. Grieg*, 829 A.2d 195, 2003 D.C. App. LEXIS 473 (2003).

Department of Finance and Revenue has no statutory or constitutional duty to update its records from probate records, for purposes of tax sale. D.C. Code 1981, §§ 47-820(c), 47-1301, 47-1302, 47-1304, 47-1306(a); U.S.C. Const.Amends. 5, 14. *Malone v. Robinson*, 614 A.2d 33, 1992 D.C. App. LEXIS 219 (1992).

District's power to sell real property in satisfaction of delinquent taxes is subject to various notice requirements. D.C. Code 1973, §§ 47-1001, 47-1001a. *Frassetto v. Barry*, 497 A.2d 109, 1985 D.C. App. LEXIS 462 (1985).

If District knew or should have known that record owners of property had moved from their prior address to the address of the property at issue, mailings to prior address were inadequate to provide notice of tax deficiency and sale. D.C. Code 1973, § 47-1001a. *Robinson v. Kerwin*, 454 A.2d 1302, 1982 D.C. App. LEXIS 411 (1982).

### Use of abbreviations.

Use of abbreviation "Geo. O. & A. V. Newsome" for "George O. Newsome" and "Alma V. Newsome" did not materially affect accuracy of tax sale notices or create substantial risk of misleading intended recipients; property owners did not dispute accuracy of either publication and mailing address or of surname designation, Mr. Newsome's designation used standard abbreviation of his first name and his correct middle initial, and Mrs. Newsome was correctly identified by her first and middle initials. D.C. Code 1981, §§ 47-1301, 47-1302. *Gore v. Newsome*, 614 A.2d 40, 1992 D.C. App. LEXIS 230 (1992).

Notice to property owner of tax sale would not be defective so as to invalidate tax sale merely because District of Columbia deviated from the tax records by abbreviating owners'



first names; rather, test is whether the type of abbreviation used materially affected accuracy of notice or created substantial risk that record owner will erroneously believe notice was in-

tended for someone else. D.C. Code 1981, §§ 47-1301, 47-1302. *Gore v. Newsome*, 614 A.2d 40, 1992 D.C. App. LEXIS 230 (1992).

## § 47-1303. Delinquent taxes — Sale of property.

(a) Upon the day specified in § 47-1301, the Mayor of the District of Columbia shall proceed to sell or cause to be sold any and all property upon which such taxes remain unpaid, and continue to sell the same every day, except Saturdays, Sundays, and legal holidays, until all the real property as aforesaid in § 47-1301 shall have been brought to auction and sold. In case no other person bids the amount due, together with penalties and costs, on any lot, the said Collector of Taxes shall bid the amount due, together with penalties and costs, on the same and purchase it for the District.

(b) Notwithstanding subsection (a) of this section, the Mayor may bid on any real property sold pursuant to § 34-2109, § 34-2110 or § 34-2407.02, that the Mayor deems suitable for inclusion in housing and community development programs such as the Homestead Preservation Program, the Tenant Assistance Program, urban renewal, or any other nonprofit community development program for low and moderate income people as authorized by law. A bid shall not exceed the estimated market value of the property or the total liability to the District government, whichever is less. Title acquired by the District government pursuant to this subsection shall be deemed to be prima facie evidence of clear title in fee simple.

(Feb. 28, 1898, 30 Stat. 250, ch. 32, § 2; July 1, 1902, 32 Stat. 633, ch. 1358, § 1(2); June 13, 1990, D.C. Law 8-136, § 7, 37 DCR 2620; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 504(g), 48 DCR 334.)

**Section references.** — This section referred to in §§ 42-2104, 47-1303.01, 47-1304, and 47-1320.

**Prior Codifications.** — 1981 Ed., § 47-1303.

1973 Ed., § 47-1002.

**Effect of amendments.** — D.C. Law 13-305 substituted “every day, except Saturdays, Sundays, and legal holidays,” for “every secular day”.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 4(h) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 4(g) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 8-136.** — Law 8-136, the “District of Columbia Water and Sewer Operations Amendment Act of 1990,”

was introduced in Council and assigned Bill No. 8-269, which was referred to the Committee on Public Works. The Bill was adopted on first and second readings on March 27, 1990, and April 10, 1990, respectively. Signed by the Mayor on April 17, 1990, it was assigned Act No. 8-192 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor’s notes.** — Mayor authorized to issue rules: Section 8 of D.C. Law 8-136 provided that within 60 days of June 13, 1990, the Mayor shall, pursuant to subchapter I of Chapter 5 of Title 2, issue proposed rules to implement the provisions of this act including rules regarding deposits, meters, liens, the sale and redemption of real property, the amnesty program, receivership, termination of water and sewer services, and administrative review; that the proposed rules shall be submitted to the Council for a 45-day period of review, excluding Saturdays, Sundays, legal holidays, and days of Council recess, and, if the Council does not

approve or disapprove the proposed rules, in whole or in part, by resolution within this 45-day period, the proposed rules shall be deemed approved; and that if after 90 days from June 13, 1990, the Mayor has failed to issue proposed rules to implement the provisions of this act as provided in subsection (a) of

this section, the Council may adopt any legislation necessary to accomplish the purposes of this act.

Office of Collector of Taxes abolished: See Historical and Statutory Notes following § 47-401.

## CASE NOTES

### ANALYSIS

Construction and application.

Due process.

In general.

Purchase by District.

Rights and duties of tax sale purchasers.

### Construction and application.

If the District of Columbia fails to comply in every respect with the tax sale statute and regulations, the sale is invalid and must be set aside. *CCD-SAT, Inc. v. Pratt*, 972 A.2d 322, 2009 D.C. App. LEXIS 164 (2009).

The District of Columbia can effectuate a valid conveyance of property for nonpayment of real estate taxes only by strict compliance with the tax sale statute and regulations. *CCD-SAT, Inc. v. Pratt*, 972 A.2d 322, 2009 D.C. App. LEXIS 164 (2009).

### Due process.

Due process requires notice reasonably calculated, under all the circumstances, to apprise interested parties of the pendency of the action to sell at auction any property upon which taxes are delinquent and afford them an opportunity to present their objections. *Bembery v. District of Columbia*, 852 A.2d 935, 2004 D.C. App. LEXIS 306 (2004).

### In general.

Under tax sale statutes, if record owner of property has received statutory notice that tax sale is pending, and if property taxes remain unpaid, then Collector of Taxes may sell property at auction for sum that meets or exceeds amount of taxes, penalties, and other charges due on property, and in absence of sufficient bid, Collector of Taxes will "bid off" property and purchase it on behalf of District. D.C. Code 1981, § 47-1303. *McCulloch v. District of Columbia*, 685 A.2d 399, 1996 D.C. App. LEXIS 248 (1996).

If District of Columbia failed to comply with tax sale statute and regulations, sale was invalid and would be set aside. D.C. Code 1981, §§ 47-1301, 47-1302, 47-1304. *Malone v. Robinson*, 614 A.2d 33, 1992 D.C. App. LEXIS 219 (1992).

Department of Finance and Revenue has no statutory or constitutional duty to update its records from probate records, for purposes of

tax sale. D.C. Code 1981, §§ 47-820(c), 47-1301, 47-1302, 47-1304, 47-1306(a); U.S.C. Const.Amend. 5, 14. *Malone v. Robinson*, 614 A.2d 33, 1992 D.C. App. LEXIS 219 (1992).

To purchase property at tax sale, person must bid at least amount of back taxes; if no one bids amount due, collector of taxes must bid amount due and property is deemed to have been "bid off" by operation of law to government. D.C. Code 1981, §§ 47-1303, 47-1304. *District of Columbia v. Mayhew*, 601 A.2d 37, 1991 D.C. App. LEXIS 338 (1991), remanded by 672 A.2d 1075, 1996 D.C. App. LEXIS 31 (D.C. 1996).

### Purchase by District.

District of Columbia was entitled to acquire property that had been the subject of a tax sale by buying it from the record owner during the redemption period; District's right to acquire the tax-delinquent property was not limited to the statutory "bid off" procedure. D.C. Code 1981, §§ 47-1303, 47-1304(a). *Fawncrest Assocs. v. District of Columbia*, 727 A.2d 892, 1999 D.C. App. LEXIS 87 (1999).

### Rights and duties of tax sale purchasers.

In the absence of statutory authorization, a tax sale purchaser ordinarily is not entitled to be reimbursed for its maintenance and improvement expenditures when its tax deed is declared invalid. *Associated Estates, LLC v. Caldwell*, 779 A.2d 939, 2001 D.C. App. LEXIS 194 (2001).

At common law, the tax lien or tax certificate purchaser buys under the rule of caveat emptor; under those common law rules, the purchaser would get nothing unless he got the land itself. *Associated Estates, LLC v. Caldwell*, 779 A.2d 939, 2001 D.C. App. LEXIS 194 (2001).

Tax sale purchaser was not entitled, under theory of unjust enrichment following avoidance of tax deed, to recoup from record owner the money that purchaser spent to repair and improve the property, absent any evidence that tax sale purchaser made repairs and improvements with record owner's knowledge and consent. *Associated Estates, LLC v. Caldwell*, 779 A.2d 939, 2001 D.C. App. LEXIS 194 (2001).

Equitable principles may entitle a tax sale purchaser to recover maintenance and improvement costs from the record owner, despite the invalidity of the tax deed, if the purchaser



meets the requirements of a quasi-contractual unjust enrichment claim. *Associated Estates, LLC v. Caldwell*, 779 A.2d 939, 2001 D.C. App. LEXIS 194 (2001).

Tax sale purchaser is not required to pay taxes each year after tax sale to protect purchaser's interest in property. D.C. Code 1981, §§ 47-1303, 47-1304(a). *Irving v. District of Columbia*, 665 A.2d 980, 1995 D.C. App. LEXIS 195 (1995), writ of certiorari denied by 516 U.S. 1172, 116 S. Ct. 1264, 134 L. Ed. 2d 212, 1996 U.S. LEXIS 1785, 64 U.S.L.W. 3623 (1996).

Tax sale purchasers, once they had complied with all statutory requirements at tax sale, acquired conditional interest in property which was not divested by District of Columbia's subsequent bid off in subsequent tax year when property was auctioned off again for nonpayment of taxes. D.C. Code 1981, §§ 47-1303, 47-1304(a). *Irving v. District of Columbia*, 665 A.2d 980, 1995 D.C. App. LEXIS 195 (1995), writ of certiorari denied by 516 U.S. 1172, 116 S. Ct. 1264, 134 L. Ed. 2d 212, 1996 U.S. LEXIS 1785, 64 U.S.L.W. 3623 (1996).

## § 47-1303.01. Definitions for §§ 47-1303.02 and 47-1303.03.

For the purpose of §§ 47-1303.02 and 47-1303.03, the term:

(1) "Adjoining property" means real property that has, in whole or in part, a common boundary with the bid off property.

(2) "Bid off property" means real property that has been bid off in the name of the District at public auction to enforce the District's lien for unpaid taxes or assessments pursuant to § 47-1303 and for which the statutory redemption period has expired.

(Feb. 28, 1898, 30 Stat. 250, ch. 32, § 2a, as added Apr. 30, 1994, D.C. Law 10-115, § 202(a), 41 DCR 1216; Apr. 18, 1996, D.C. Law 11-110, § 54, 43 DCR 530; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-1304.

**Prior Codifications.** — 1981 Ed., § 47-1303.1.

**Legislative history of Law 10-115.** — Law 10-115, the "Financial Administration Revision and Clarification Act of 1994," was introduced in Council and assigned Bill No. 10-439, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on January 4, 1994, and February 1, 1994, respectively. Signed by the Mayor on February 25, 1994, it was assigned Act No. 10-205 and transmitted to both Houses of Congress for its

review. D.C. Law 10-115 became effective on April 30, 1994.

**Legislative history of Law 11-110.** — Law 11-110, the "Technical Amendment Act of 1996," was introduced in Council and assigned Bill No. 11-485, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on December 5, 1995, and January 4, 1996, respectively. Signed by the Mayor on January 26, 1996, it was assigned Act No. 11-199 and transmitted to both Houses of Congress for its review. D.C. Law 11-110 became effective on April 18, 1996.

## § 47-1303.02. Private sale of unimproved residential real property bid off in the name of the District.

(a) Notwithstanding any other provision of law, the Mayor may sell at private sale real property that has been bid off in the name of the District at public tax sale for 2 consecutive years and that has not been redeemed by the owner within the redemption period provided by law.

(b) Before accepting offers on the bid off property for private sale, the Mayor shall:

(1) Send a final notice to the owner of the bid off property stating that the bid off property will be offered for private sale unless the bid off property is redeemed within 30 days after the date of the final notice by paying all taxes

and assessments, including penalties, interest, costs, and charges against the bid off property; and

(2) Notify all recorded lienholders that the bid off property shall be offered for private sale unless the bid off property is redeemed by the owner of the bid off property within the 30-day period specified in paragraph (1) of this subsection.

(c) Owners of adjoining property shall have the first opportunity to purchase bid off property at private sale. The Mayor shall notify the owners of adjoining property that:

(1) They may make offers to the Mayor to purchase the bid off property within a period of time set by the Mayor. The minimum offer acceptable shall be an amount equal to all current year's taxes and assessments, including penalties and interest, and costs charged against the property; and

(2) If they purchase the bid off property, they shall agree to the combining of the bid off property and the purchaser's adjoining property into a single tax lot that shall be reflected in the real property tax records of the District.

(d) If only 1 adjoining property owner offers to purchase the bid off property and meets the requirements of subsection (c) of this section, the Mayor shall accept the offer.

(e) If more than 1 adjoining property owner offers to purchase the bid off property and meets the requirements of subsection (c) of this section, the Mayor shall accept the highest offer.

(f) If no acceptable offer is made by an adjoining property owner within the time period determined by the Mayor, the Mayor shall sell the bid off property to any interested purchaser in accordance with procedures established by the Mayor. The minimum sale price acceptable shall be an amount equal to all current year's taxes and assessments, including penalties and interest, and costs charged against the property. Unsold bid off property shall not be returned to the public tax sale, but shall be retained by the Mayor until sold at private sale.

(g) An offer to purchase bid off property at private sale shall be made in writing on a form and under such conditions as the Mayor shall by regulation prescribe.

(Feb. 28, 1898, 30 Stat. 250, ch. 32, § 2b, as added Apr. 30, 1994, D.C. Law 10-115, § 202(b), 41 DCR 1216; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in §§ 47-1303.01, 47-1303.03, and 47-1304.

**Prior Codifications.** — 1981 Ed., § 47-1303.2.

**Legislative history of Law 10-115.** — For legislative history of D.C. Law 10-115, see Historical and Statutory Notes following § 47-1303.01.

## CASE NOTES

### Due process.

District of Columbia violated the due process rights of property owner, a Maryland corporation whose corporate status had been forfeited,

by failing to provide property owner with statutory notice prior to private tax sale of property; even if property owner did not exist as a corporation at time of sale, under Maryland



law, property owner's sole director was trustee of property at time of sale and would have received notice on property owner's behalf.

CCD-SAT, Inc. v. Pratt, 972 A.2d 322, 2009 D.C. App. LEXIS 164 (2009).

### § 47-1303.03. Tax deed.

(a) The Mayor shall issue a deed for the bid off property sold pursuant to § 47-1303.02 to the person whose offer the Mayor accepts.

(b) The deed shall be prima facie evidence of a good and perfect title in fee simple to the bid off property.

(Feb. 28, 1898, 30 Stat. 250, ch. 32, § 2c, as added Apr. 30, 1994, D.C. Law 10-115, § 202(c), 41 DCR 1216; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in §§ 47-1303.01 and 47-1304.

**Prior Codifications.** — 1981 Ed., § 47-1303.3.

**Legislative history of Law 10-115.** — For legislative history of D.C. Law 10-115, see Historical and Statutory Notes following § 43-1303.01.

### CASE NOTES

#### ANALYSIS

Burden of proof.  
In general.  
Notice.

#### Burden of proof.

In challenging the validity of a tax sale, the plaintiff bears the burden of producing evidence that the deed was improperly issued, and then the burden of production shifts to the defendant, who must then demonstrate that the tax sale was valid. *Jones v. Thompson*, 953 A.2d 1121, 2008 D.C. App. LEXIS 364 (2008).

In challenging the validity of a tax sale, the plaintiff bears the burden of producing evidence that the deed was improperly issued, and then the burden of production shifts to the defendant, who must demonstrate that the tax sale was valid. *Jones v. Grieg*, 829 A.2d 195, 2003 D.C. App. LEXIS 473 (2003).

#### In general.

If the District of Columbia fails to comply in every respect with the tax sale statute and regulations, the sale is invalid and must be set aside. *CCD-SAT, Inc. v. Pratt*, 972 A.2d 322, 2009 D.C. App. LEXIS 164 (2009).

The District of Columbia can effectuate a valid conveyance of property for nonpayment of real estate taxes only by strict compliance with

the tax sale statute and regulations. *CCD-SAT, Inc. v. Pratt*, 972 A.2d 322, 2009 D.C. App. LEXIS 164 (2009).

If the District of Columbia fails to comply in every respect with the statute and regulations governing tax sales for failure to pay property tax, the sale is invalid and must be set aside. *Jones v. Thompson*, 953 A.2d 1121, 2008 D.C. App. LEXIS 364 (2008).

Current landowner was a bona fide purchaser, though she obtained the property from holders of a tax deed; current landowner and her lender not only relied on the tax deed as proof of good title, but also on the default judgment that the holders obtained against the previous landowner, which confirmed the deed and quieted title. *Venison v. Robinson*, 756 A.2d 906, 2000 D.C. App. LEXIS 171 (2000).

#### Notice.

District of Columbia failed to strictly comply with tax sale statute and regulations, and thus tax sale was invalid and would be set aside; record owner stated that he never received notice that redemption period was about to expire, District could not produce either certified mail receipt or domestic return receipt regarding mailing of notice, and notice that District produced did not contain a date. *Jones v. Thompson*, 953 A.2d 1121, 2008 D.C. App. LEXIS 364 (2008).

### § 47-1303.04. Real property tax assignment; sale and transfers.

(a) The District may assign or sell and transfer, for consideration, to a third party, tax liens bid off in the name of the District pursuant to § 47-1301 or tax

liens that remain unsatisfied for six months or more. The tax liens may be assigned or sold and transferred in any manner the Mayor deems appropriate, including, but not limited to, individually, in bulk, or to a person who issues debt secured by the tax liens. Such transactions shall not be subject to the provisions of Chapter 3A of Title 2 [§ 2-351.01 et seq.]. The District may make the assignment or conduct a sale and transfer of its tax liens either by public auction, sealed bid, or pursuant to a negotiated contract.

(b) The District's tax liens may be purchased by any person, including, but not limited to, a trust created and established solely for the purpose of purchasing tax liens from the District, and which issues debt securities secured by the liens. The Mayor is authorized to accept as payment for the assignment or sale and transfer of the tax liens cash, notes, or any combination thereof, or such other consideration as the Mayor deems appropriate. Any bonds, notes, or other obligations issued by any purchaser, assignee, or transferee of the tax liens shall not constitute obligations of the District and shall be without recourse to the District.

(c) Notwithstanding any other provision of law, whenever the Mayor determines that it is in the District's best interest, the District may assign or sell and transfer its tax liens to any person, except the delinquent owner of the property subject to the tax lien, or a person related to the owner, in an amount less than the total amount of unpaid taxes, penalties and accrued interest. The execution of a purchase agreement or other agreement by the Mayor shall be conclusive evidence of the adequacy of consideration for the assignment or sale and transfer of the tax liens.

(d) The assignment or sale and transfer of any tax liens and the right to receive amounts in respect thereof as provided by law shall be evidenced by a notarized certificate of the Director of the Department of Finance and Revenue or his or her duly authorized representative, which shall recite the full amount of such lien, including penalties, interest, and costs accrued as of the date of the assignment or sale and transfer of such tax lien, and naming the purchaser of the lien, the record owner, and the square, lot, and street address of the related real property. The certificate of the assignment or sale and transfer shall be recorded in the Office of the Recorder of Deeds.

(e) The transferee of a tax lien and any assignee or successor in interest of such transferee shall have and possess the same rights, powers, lien status, and priority of payment at law or in equity as the District would have possessed if the lien had not been assigned or sold and transferred. The transferee or assignee shall have the same rights to enforce all such tax liens as the District, including the issuance of a deed in fee simple absolute by the Superior Court of the District of Columbia.

(f)(1) Notice by registered or certified mail must be sent to the record owner and all other lienholders of record by the District at least 30 days in advance of expiration of the redemption period.

(2) Suits to contest the validity of the deed issued pursuant to this section may not be instituted and are forever barred if not filed within 90 days of recordation of the deed in the Office of the Recorder of Deeds.

(3) Both the public notice pursuant to § 47-1301 and the notice of the expiration of the redemption period shall include a statement that suits to



contest the validity of the deed must be filed within 90 days of recordation of such deed in the Office of the Recorder of Deeds.

(4) Upon the expiration of the 90-day period from the date of recordation of the deed, the validity of the deed, any other agreements relating thereto, and all proceedings in connection therewith shall be conclusively presumed to have been legally taken and no court shall have the authority to inquire into such matters.

(g) Payments received for delinquent taxes shall be applied first to the penalties, accrued interest, and real property tax in that order related to the longest standing delinquency, and then to the penalties, accrued interest, and real property tax in that order due on the next longest standing delinquency, and subsequent delinquencies.

(h)(1) In an action to foreclose on a tax certificate or certificates, the court may award counsel fees in any in rem or in personam proceeding except for special cause shown by affidavit. If the plaintiff is other than the District, no counsel fees shall be allowed unless, prior to the filing of the complaint, the plaintiff shall have given not more than 120 nor less than 30 days written notice to the interested owners or mortgagees whose interests appear of record, by registered or certified mail with postage prepaid thereon addressed to their last known addresses, of intention to file such complaint. The notice shall also contain the amount due on the tax lien as of the day of the notice. After the complaint has been filed, all redemptions shall be subject to the fixing of fees and costs.

(2) In an action for the foreclosure on a tax certificate, the court or the clerk may, as a matter of discretion, tax as a part of the taxable costs all legal fees and reasonable charges necessarily paid or incurred in procuring searches relative to the title of the subject premises. In tax foreclosure actions brought to foreclose tax sale certificates on more than one parcel, the fees prescribed shall apply to each separate parcel. The court or the clerk may also authorize inclusion of all legal fees and charges necessarily incurred for searches required for unpaid taxes or municipal liens and for searches required to enable the officer making public sale to insert in the notices, advertisements, and conditions of sale, a description of the estate or interest to be sold and the defects in title and liens or encumbrances thereon, as authorized by law.

(3) In an action for the foreclosure on a tax certificate, notwithstanding §§ 47-1312 through 47-1315 or any other law, the court may order the prevailing plaintiff to sell the property at private sale for the fair market value of the property to satisfy the amount of the plaintiff's lien, fees, and costs, as provided for in this section, including all fees and charges necessarily incurred to sell the property at private sale. Any surplus resulting from the sale shall be paid as provided in § 47-1315.

(i)(1) The assignee, purchaser or transferee of a tax lien may assign or sell and transfer the liens to any person, except to the delinquent owner of the property subject to the lien, or a person related to the owner. The transferee thereof may subsequently transfer and assign the tax lien to any other person, except to the delinquent owner of the property subject to the tax lien, or a person related to the owner.

(2) Any transfer made pursuant to paragraph (1) of this subsection shall be evidenced by a notarized document executed by the transferor. Such document shall cross-reference the original notarized certificate of assignment or sale and transfer issued by the Department of Finance and Revenue and shall recite the information appearing on such original certificate.

(3) Evidence of any subsequent transfer and assignment shall be recorded in the Office of the Recorder of Deeds.

(j) The assignee, purchaser, or transferee of a tax lien, any successor thereof, shall be subject to applicable tenant protection provisions of § 42-3401.01 et seq. and § 42-3501.01 et seq. or any other applicable District law.

(k) The Mayor may issue rules to implement the provisions of this section.

(l) The powers granted under this section shall be exercised from time to time by that official delegated authority pursuant to § 1-204.24a.

(m) For a period of not more than 6 months following the completion of the transaction, the District shall have the right to substitute a lien of equal value for similar property, where the district has determined that a particular property should be excluded from the tax lien portfolio.

(Feb. 28, 1898, 30 Stat. 250, ch. 32, § 2d as added Sept. 9, 1996, D.C. Law 11-153, § 3(a), 43 DCR 4380; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 504(h), 48 DCR 334.)

**Cross references.** — Business improvement district tax, allocation of proceeds, nondelinquent and delinquent real properties, see § 2-1215.15.

**Prior Codifications.** — 1981 Ed., § 47-1303.4.

**Effect of amendments.** — D.C. Law 13-305 added subsec. (h)(3).

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 4(i) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

For temporary (225 day) amendment of section, see § 12(aa) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(aa) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 4(h) of Real Property Tax Clarity and Litter Control

Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see § 12(z) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 12(aa) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(aa) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**References in text.** — Pursuant to the Office of the Chief Financial Officer's "Notice of Public Interest" published in the April 18, 1997, issue of the District of Columbia Register (44 DCR 2345) the Office of Tax and Revenue assumed all of the duties and functions previously performed by the Department of Finance and Revenue, as set forth in Commissioner's Order 69-96, dated March 7, 1969. This action was made effective January 22, 1997, nunc pro tunc.

## CASE NOTES

### ANALYSIS

Construction and application.

Presumptions.

Presumptions and burden of proof.

Redemption period expiration notice.



Right of redemption notice.  
Summary judgment.

### **Construction and application.**

Water and sewage lien held by Water and Sewer Authority's (WASA) assignee was void; certificate of delinquent charges was mailed to address other than one to which lien attached, and original assignment of lien from Water and Sewer Authority to assignee's predecessor-in-interest failed to state name of property owner to which property lien was attached, nor dollar amount due, including penalties and interest. *Crusader as Custodian for Strategic Mun. Lien Invs., LLC v. Heyward*, 22 A.3d 744, 2011 D.C. App. LEXIS 288 (2011).

If the District of Columbia fails to comply in every respect with the tax sale statute and regulations, the sale is invalid and must be set aside. *CCD-SAT, Inc. v. Pratt*, 972 A.2d 322, 2009 D.C. App. LEXIS 164 (2009).

The District of Columbia can effectuate a valid conveyance of property for nonpayment of real estate taxes only by strict compliance with the tax sale statute and regulations. *CCD-SAT, Inc. v. Pratt*, 972 A.2d 322, 2009 D.C. App. LEXIS 164 (2009).

If the District of Columbia fails to comply in every respect with the statute and regulations governing tax sales for failure to pay property tax, the sale is invalid and must be set aside. *Jones v. Thompson*, 953 A.2d 1121, 2008 D.C. App. LEXIS 364 (2008).

The District of Columbia can effectuate a valid conveyance of property for nonpayment of real estate taxes only by strict compliance with the tax sale statute and regulations. *Langon v. Reilly*, 802 A.2d 951, 2002 D.C. App. LEXIS 317 (2002).

If the District of Columbia fails to comply in every respect with the statute and regulations on sale of property for failure to pay real estate taxes, the sale is invalid and must be set aside. *Langon v. Reilly*, 802 A.2d 951, 2002 D.C. App. LEXIS 317 (2002).

### **Presumptions.**

Statute which states conclusive presumption of validity of tax sale deed upon the expiration of ninety days from the date of recordation of the deed did not apply to sale and tax deed by the Mayor; the statute applied only to deeds issued pursuant to section on tax deeds by the Superior Court, and the deed by the Mayor was issued pursuant to a different section. *Langon v. Reilly*, 802 A.2d 951, 2002 D.C. App. LEXIS 317 (2002).

### **Presumptions and burden of proof.**

On summary judgment in action to declare winning bidders' tax deed invalid and to rescind it as null and void, record owner's assertions in sworn deposition that he "never received" notice of expiring redemption period and that he

did not recall "ever receiv[ing] certified mail" from Office of Tax and Revenue (OTR) of District of Columbia, which were corroborated by District's failure to produce "green card" receipt or other documentation that the mailing had occurred, was sufficient to challenge tax deed and to shift burden of demonstrating validity to winning bidders. *Jones v. Thompson*, 953 A.2d 1121, 2008 D.C. App. LEXIS 364 (2008).

### **Redemption period expiration notice.**

If the District of Columbia does send notice to the record owner by registered or certified mail and the notice is returned unclaimed, the District is then required to take some additional step to notify the record owner of the expiration of redemption period following tax sale. *Jones v. Grieg*, 829 A.2d 195, 2003 D.C. App. LEXIS 473 (2003).

When a notice that a redemption period is about to expire is returned by the post office as "unclaimed" and the District of Columbia makes no attempt thereafter to ensure that the record owner receives some kind of notice of the imminent expiration, it has not complied with the "additional step" requirement to give notice of the imminent expiration. *Jones v. Grieg*, 829 A.2d 195, 2003 D.C. App. LEXIS 473 (2003).

District of Columbia's letter informing taxpayers that a tax deed was going to be issued unless they paid back taxes fell short of due process requirement of notice after envelope containing notice of expiration of redemption period was returned unclaimed more than three years earlier; the taxpayers owned two pieces of property and lived at the property sold for failure to pay taxes, and the District mailed both letters to the other address. *Jones v. Grieg*, 829 A.2d 195, 2003 D.C. App. LEXIS 473 (2003).

Actual notice of the expiration of the redemption period is not mandated by the statutes or regulations, and notice by mail to the record owner generally satisfies due process commands. *Jones v. Grieg*, 829 A.2d 195, 2003 D.C. App. LEXIS 473 (2003).

District deviated from requirements of tax sale statute and regulations in sending notice to property owner of the expiring redemption period by ordinary mail, rather than registered or certified mail, and thus, conveyance of the property to tax sale purchaser was invalid, even if owner had actual notice of expiration of redemption period. *Associated Estates, LLC v. Caldwell*, 779 A.2d 939, 2001 D.C. App. LEXIS 194 (2001).

Actual notice of the imminent expiration of the statutory redemption period does not cure, or render harmless, the District's material failure to give notice in the manner required by law. *Associated Estates, LLC v. Caldwell*, 779 A.2d 939, 2001 D.C. App. LEXIS 194 (2001).

### **Right of redemption notice.**

District of Columbia failed to strictly comply

with tax sale statute and regulations, and thus tax sale was invalid and would be set aside; record owner stated that he never received notice that redemption period was about to expire, District could not produce either certified mail receipt or domestic return receipt regarding mailing of notice, and notice that District produced did not contain a date. *Jones v. Thompson*, 953 A.2d 1121, 2008 D.C. App. LEXIS 364 (2008).

Before a tax deed transferring ownership of real property may be issued, the District of Columbia is required to notify the record owner of the property of the statutory right to redeem the property by paying the purchase price for the tax lien with interest. *Jones v. Thompson*, 953 A.2d 1121, 2008 D.C. App. LEXIS 364 (2008).

Court of Appeals would not deem former property owner as the agent of the new owner

for receipt of notice of right to redeem following tax sale of property; rather District was required to provide notice to current actual record holders of title to the property, even though they obtained their interest after the tax sale. *Bembery v. District of Columbia*, 852 A.2d 935, 2004 D.C. App. LEXIS 306 (2004).

#### **Summary judgment.**

Whether record owner had actual notice of tax sale or of looming expiration of redemption period was not a material issue precluding summary judgment in action to declare winning bidders' tax deed invalid and to rescind it as null and void; whether record owner had actual notice bore no relevance to central question of whether District of Columbia strictly complied with tax sale statute. *Jones v. Thompson*, 953 A.2d 1121, 2008 D.C. App. LEXIS 364 (2008).

### **§ 47-1304. Real property tax assignment; sale and transfers — Deposit required; certificate of sale; tax deed; redemption.**

(a) The Collector of Taxes shall require from every purchaser of property sold as aforesaid a deposit sufficient, in his judgment, to guarantee a full and final settlement for such purchase. Every purchaser other than the District of Columbia at any sale of property as aforesaid shall pay the full amount of his bid, including surplus, if any, to the Collector of Taxes within 5 business days after the last day of sale, and in case such payment is not made within the time specified the deposit of the person so failing to make payment shall be forfeited to the District of Columbia, and said Collector of Taxes shall then issue the certificate of sale for such property to the next highest bidder, and if payment of the amount of the bid of said next highest bidder be not made within 2 business days thereafter, the Mayor of the District of Columbia shall set aside both sales for which the bids were made; and the said Collector of Taxes shall thereupon be held to have bid the amount due on the said lot and to have purchased it for the District. Immediately after the close of the sale, upon payment of the purchase money, the said Collector of Taxes shall issue to the purchaser a certificate of sale, and if the property shall not be redeemed by the owner or owners thereof within 6 months from the last day of sale, by payment to the Collector of Taxes of said District, for the use of the legal holder of the certificate, the amount for which it was sold at such sale, exclusive of surplus, and with interest on the amount at the rate of 1.5% for each month (or part thereof) after the date of the certificate of sale, a deed shall be given by the Mayor, after notice satisfying the requirements of due process, to the purchaser at such tax sale, his heirs or devisees, or to the assignee of such certificates, which deed shall be admitted and held to be prima facie evidence of a good and perfect title in fee simple to any property bought at said sale herein authorized; provided, that no deed shall be issued unless application therefor be made within one year from the last day of sale, and if no deed be



given as yet by the Mayor then the owner of property sold, or any other person having an interest therein at the time of redemption, may redeem the property by paying to the Collector of Taxes for the legal holder of the certificate the amount for which it was sold at such sale, exclusive of surplus, plus interest thereon at the rate hereinbefore prescribed; that when the said property is redeemed as aforesaid, the Collector of Taxes shall, within 5 business days thereafter notify the owner of record of such tax sale certificate at his last-known address, by registered mail or by certified mail, of the redemption of such certificate; that within one year from the last day of the sale, the owner thereof may apply for, and, upon the surrender of the certificate, shall receive from the District of Columbia the payment made as hereinbefore prescribed; that upon the failure of the owner of such tax sale certificate to apply within the period of one year, as hereinbefore prescribed, or, in the case where a property is not redeemed, to pay all taxes and assessments, within 30 days from the date the Mayor sends a letter for payment to the owner of the tax sale certificate or within any extension beyond the 30 days as granted at the discretion of the Mayor, required to be paid before a deed shall be issued, money otherwise owing to the owner of the tax sale certificate or paid by the owner of the tax sale certificate shall be forfeited to the District of Columbia, and be deposited by the Collector of Taxes in the Treasury of the United States to the credit of the general revenues of the District of Columbia; provided, that no deed shall be issued until all taxes and assessments appearing upon the tax books against the property are paid, with penalties, interests, and costs, including taxes for the years for which the District purchased the property at tax sale; provided, that no property advertised as aforesaid shall be sold upon any bid not sufficient to meet the amount of tax, penalty, and costs; but in case the highest bid on any property is not sufficient to meet the taxes, penalties, and costs thereon said property shall thereupon be bid off by the said Collector of Taxes, in the name of the District of Columbia; but the property so bid off shall not be exempted from assessment and taxation, but shall be assessed and taxed as other property; and if within 6 months thereafter such property is not redeemed by the owner or owners thereof, or their legal representatives, by the payment of the taxes, penalties and costs due at the time of the sale and that may have accrued after that date, and 1 ½% thereon for each month or part thereof, or if any property 6 months after having been so bid off at any sale in the name of said District under §§ 47-1301 to 47-1310 or any other law in force is not or has not been so redeemed as aforesaid (unless it shall be shown that the sale for taxes was irregular and void), then the Mayor of the District, or his successors, shall in the name of and on behalf of the District of Columbia, sell the property at public or private sale for the amount of the oldest lien owing to the District and issue to a purchaser of the property, after notice satisfying the requirements of due process and the property not redeemed within 30 days therefrom, a deed, which shall have the same force and effect as the deed provided in this section for property sold at the regular annual sale; provided, that unless the purchaser of the property shall pay all other taxes and assessments, within 30 days from the date that the Mayor sends a letter for payment to the purchaser or within any extension beyond the 30 days as

granted at the discretion of the Mayor, required to be paid before a deed shall be issued, money paid by the purchaser shall be forfeited to the District of Columbia; that no deed shall be issued until all assessments, taxes, costs, and charges due the District, of whatsoever nature, shall have been paid in full; and provided also, that minors or other persons under legal disability be allowed 1 year after attaining full age or after the removal of such legal disability to redeem the property so sold, or bid off by the Collector of Taxes in the name of the District of Columbia as aforesaid, from the purchaser or purchasers, his, her, or their assigns, or from the District of Columbia, on payment of the amount of purchase money so paid therefor, with 8% per annum interest thereon as aforesaid, together with all taxes and assessments that have been paid thereon by the purchaser or his assigns between the day of sale and the period of redemption with 8% per annum interest on the amount of such taxes and assessments. When such property is redeemed from a purchaser other than the District of Columbia, and when such property shall be redeemed from the District of Columbia, it shall, except as to the period of redemption, be upon the terms and conditions hereinabove provided for in the case of redemption by persons not under legal disability; provided, however, that failure on the part of the District, from any cause whatsoever, to enforce the liens acquired aforesaid shall not release the property from any tax whatsoever that may be due the District; provided further, that at any time after any property shall have been bid off as aforesaid by the Collector of Taxes, and before the expiration of the time allowed for the redemption thereof, the Collector of Taxes of said District, may issue to any person or persons, upon the payment of a sum not less than the aggregate amount of the taxes, penalties, and costs due at the time the property was bid off by the Collector and that may have accrued after that date, a certificate of sale, and if the property shall not be redeemed by the owner or owners thereof within 6 months from the date of such certificate, by payment to the Collector of Taxes of said District, for the use of the legal holder of the certificate, the amount exclusive of surplus paid by the person or persons to whom such certificate was issued and 1 ½% thereon for each month or part thereof, a deed shall be given by the Mayor of the District of Columbia, or his successors in office, to the legal holder of such certificate, which deed shall have the same force and effect as the deed hereinbefore provided for in this section for property sold at the regular annual sale; and that the foregoing provisions in this section in reference to the sale at public or private sale of property in the District of Columbia advertised for sale for taxes and bid off by the Collector of Taxes be, and the same are also hereby, made applicable to all property in the District of Columbia subject to taxation where taxes levied and in arrears on July 1, 1897, or at any time prior thereto, have not been paid, and which at any sale held previous to said date were bid off in the name of the District of Columbia; and when for any reason any tax sale of real property in the District of Columbia may be set aside or canceled, such property may be readvertised and sold at the next ensuing annual sale.

(b) The time period for redemption of properties brought to tax sale under § 47-1205(b), shall be 6 months.

(c) The time period for redemption of properties brought to tax sale under § 8-807(f) shall be 6 months.



(d) The time period for redemption of property brought to tax sale under § 34-2109, § 34-2110, or § 34-2407.02, shall be 180 days.

(e) Notwithstanding any other provision of law, no deed shall be issued for any property sold at the tax sale conducted in July 1995 and any tax sale thereafter, unless an application by the purchaser for the deed is made within 1 year from the last day of the tax sale.

(f) If no application for the deed is made within the 1-year period, the property will be sold at the next ensuing tax sale.

(g) Upon the failure of the purchaser to apply for the deed within 1 year from the last day of the tax sale, any money paid by the tax sale purchaser in exchange for a tax sale certificate shall be forfeited to the District of Columbia.

(h)(1) If a certificate of sale is issued for a property sold and the period of the right of redemption expires, the costs for ascertaining and locating a party with a legally protected interest in the property when the identity and location of the party are reasonably ascertainable, the costs for preparing, sending, or otherwise providing legally required notices to the party, and other incidental or consequential costs incurred or accrued as a result of unpaid taxes, shall be paid to the District of Columbia Treasurer, in addition to any sums owing under subsection (a) of this section, to redeem the property; provided, that:

(A) The Mayor shall, by regulation, fix the amount of all costs to be paid as the Mayor shall determine is reasonable to reimburse the District;

(B) The Mayor may, in his or her discretion, contract with any person or authorize the agent of the legal holder of the certificate to perform the services for which the costs shall be paid;

(C) Payment of costs shall be made for the use of the person who performed the services or the legal holder of the certificate, and (i) the person or legal holder of the certificate shall receive from the District of Columbia payment of costs as collected by the District of Columbia, or (ii) the Mayor may order that payment of costs be made directly to the person or legal holder of the certificate in accordance with procedures that the Mayor shall prescribe, by regulation.

(2) If the property is not redeemed and the District is liable for the costs incurred, the legal holder of the certificate shall pay the costs incurred and no deed shall be given until such costs are paid.

(3) The Mayor may waive, in whole or in part, costs in this subsection when it would be equitable or in the public interest; provided, that if the Mayor waives the costs, the District of Columbia shall reimburse the person who performed the services or the legal holder of the certificate for costs otherwise payable under this subsection.

(Feb. 28, 1898, 30 Stat. 250, ch. 32, § 3; July 1, 1902, 32 Stat. 633, ch. 1358, § 1(3); June 25, 1938, 52 Stat. 1201, ch. 702, § 9; Feb. 22, 1944, 58 Stat. 20, ch. 29; June 11, 1960, 74 Stat. 203, Pub. L. 86-507, § 1(52); Aug. 9, 1986, D.C. Law 6-135, § 14(a), 33 DCR 3771; Sept. 20, 1989, D.C. Law 8-31, § 5(a), 36 DCR 4750; June 13, 1990, D.C. Law 8-136, § 9(a)(1), 37 DCR 2620; Sept. 26, 1995, D.C. Law 11-52, § 109(b), 42 DCR 3684; Sept. 9, 1996, D.C. Law 11-153, § 3(b), 43 DCR 4380; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 504(i), 48 DCR 334.)

**Cross references.** — Documentary evidence, certified mail return receipts, see § 14-506.

**Section references.** — This section is referred to in §§ 8-807, 34-2407.02, 42-1214, and 47-1205.

**Prior Codifications.** — 1981 Ed., § 47-1304.

1973 Ed., § 47-1003.

**Effect of amendments.** — D.C. Law 13-305 rewrote subsec. (a) and added subsec. (h).

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 107(b) of Multiyear Budget Spending Reduction and Support Temporary Act of 1995 (D.C. Law 10-253, March 23, 1995, law notification 42 DCR 1652).

For temporary (225 day) amendment of section, see § 4(j) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary amendment of section, see § 109(b) of the Omnibus Budget Support Congressional Review Emergency Act of 1995 (D.C. Act 11-124, July 27, 1995, 42 DCR 4160).

For temporary (90 day) amendment of section, see § 4(i) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 6-135.** — Law 6-135, the "Homestead Housing Preservation Act of 1986," was introduced in Council and

assigned Bill No. 6-168, which was referred to the Committee on Housing and Economic Development. The Bill was adopted on first and second readings on May 27, 1986 and June 10, 1986, respectively signed by the Mayor on June 13, 1986, it was assigned Act No. 6-173 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 8-31.** — Law 8-31, the "District of Columbia Solid Waste Regulation Amendment Act of 1989," was introduced in Council and assigned Bill No. 8-135, which was referred to the Committee on Public Works. The Bill was adopted on first and second readings on May 30, 1989 and June 13, 1989, respectively. Signed by the Mayor on June 27, 1989, it was assigned Act No. 8-54 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 8-136.** — For legislative history of D.C. Law 8-136, see Historical and Statutory Notes following § 47-1303.

**Legislative history of Law 11-52.** — For legislative history of D.C. Law 11-52, see Historical and Statutory Notes following § 47-1301.

**Legislative history of Law 11-153.** — For legislative history of D.C. Law 11-153, see Historical and Statutory Notes following § 47-1303.04.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Office of Collector of Taxes abolished: See Historical and Statutory Notes following § 47-401.

## CASE NOTES

### ANALYSIS

Condemnation after tax sale.

In general.

Jurisdiction.

Motions to vacate.

Payment of bid.

Presumption of validity of deed.

Redemption from tax sale.

Rights of purchaser.

Service of process.

Tax certificates.

Tax deeds.

### Condemnation after tax sale.

Where property which has been sold at a tax sale is condemned after the expiration of the period of redemption, the tax sale purchaser, and not the delinquent taxpayer owner, is entitled to the condemnation proceeds, provided he complies with the provisions of this section. *District of Columbia v. All of Lot 9, Square 5148*, 110 WLR 469 (Super. Ct. 1982).

### In general.

Assignment of water and sewage lien to lien-

holder's assignee was not tax sale, and thus, assignment did not provide assignee right to foreclose on property owner's right to redeem, absent any showing that property was ever transferred at public auction. *Crusader as Custodian for Strategic Mun. Lien Invs., LLC v. Heyward*, 22 A.3d 744, 2011 D.C. App. LEXIS 288 (2011).

The District of Columbia can effectuate a valid conveyance of property for nonpayment of real estate taxes only by strict compliance with the tax sale statute and regulations. *Langon v. Reilly*, 802 A.2d 951, 2002 D.C. App. LEXIS 317 (2002).

If the District of Columbia fails to comply in every respect with the statute and regulations on sale of property for failure to pay real estate taxes, the sale is invalid and must be set aside. *Langon v. Reilly*, 802 A.2d 951, 2002 D.C. App. LEXIS 317 (2002).

Statute which states conclusive presumption of validity of tax sale deed upon the expiration of ninety days from the date of recordation of the deed did not apply to sale and tax deed by



the Mayor; the statute applied only to deeds issued pursuant to section on tax deeds by the Superior Court, and the deed by the Mayor was issued pursuant to a different section. *Langon v. Reilly*, 802 A.2d 951, 2002 D.C. App. LEXIS 317 (2002).

Generally speaking, rights and liabilities under tax sale proceedings rest entirely upon the statutes involved. *Associated Estates, LLC v. Caldwell*, 779 A.2d 939, 2001 D.C. App. LEXIS 194 (2001).

If District of Columbia failed to comply with tax sale statute and regulations, sale was invalid and would be set aside. D.C. Code 1981, §§ 47-1301, 47-1302, 47-1304. *Malone v. Robinson*, 614 A.2d 33, 1992 D.C. App. LEXIS 219 (1992).

Department of Finance and Revenue has no statutory or constitutional duty to update its records from probate records, for purposes of tax sale. D.C. Code 1981, §§ 47-820(c), 47-1301, 47-1302, 47-1304, 47-1306(a); U.S.C. Const.Amend. 5, 14. *Malone v. Robinson*, 614 A.2d 33, 1992 D.C. App. LEXIS 219 (1992).

Rights and liabilities under tax sale proceedings in District of Columbia rest entirely upon the statutes involved. D.C. Code §§ 47-1003, 47-1005 to 47-1007. *Robinson v. District of Columbia*, 372 A.2d 1005, 1977 D.C. App. LEXIS 463 (1977).

### **Jurisdiction.**

Previous landowner's notice of appeal of entry of default judgment, in action to confirm a tax deed and quiet title in real property, divested the trial court of its jurisdiction in all matters related to the case, including jurisdiction over an evidentiary hearing on the validity of the service of process, which it agreed to hold when it granted previous landowner's motion to reconsider. *Venison v. Robinson*, 756 A.2d 906, 2000 D.C. App. LEXIS 171 (2000).

### **Motions to vacate.**

Current landowner would be prejudiced if the default judgment against previous landowner, that confirmed a tax deed and quieted title, were set aside, as factor considered in determining whether trial court abused its discretion in denying a motion to vacate; current landowner, and presumably her mortgage company, relied on the default judgment when she bought the property, and if the judgment were set aside, she would be subject to litigation and an uncertain title. *Venison v. Robinson*, 756 A.2d 906, 2000 D.C. App. LEXIS 171 (2000).

### **Payment of bid.**

Where the statutory time of 5 days from date of sale to pay amount of bid was extended 5 days because tear gas explosion closed the Treasurer's office, payment date of 12 days after sale set by Treasurer was not timely

compliance and the tax deed was void. *Scheve v. Short*, 114 WLR 2601 (Super. Ct. 1986).

A customary deposit of \$20,000 by a professional tax deed purchaser which turned out to be only 5% of all of that purchaser's bids at the sale was not in compliance with the 20% requirement even though this practice had been permitted for 20 years. *Scheve v. Short*, 114 WLR 2601 (Super. Ct. 1986).

### **Presumption of validity of deed.**

Prima facie validity of fee simple title does not mean that a tax deed is not voidable for failure to satisfy the statutory preconditions to its issuance, as deficiencies in notice are readily discoverable by a tax sale purchaser before he acts. *Associated Estates, LLC v. Caldwell*, 779 A.2d 939, 2001 D.C. App. LEXIS 194 (2001).

### **Redemption from tax sale.**

Before a tax deed transferring ownership of real property may be issued, the District of Columbia is required to notify the record owner of the property of the statutory right to redeem the property by paying the purchase price for the tax lien with interest. *Jones v. Thompson*, 953 A.2d 1121, 2008 D.C. App. LEXIS 364 (2008).

Court of Appeals would not deem former property owner as the agent of the new owner for receipt of notice of right to redeem following tax sale of property; rather District was required to provide notice to current actual record holders of title to the property, even though they obtained their interest after the tax sale. *Bembery v. District of Columbia*, 852 A.2d 935, 2004 D.C. App. LEXIS 306 (2004).

Owners of record properly effected redemption, when they made payment of the taxes due prior to the extended expiration date, as measured from date that District of Columbia provided notice that complied strictly with the requirements of applicable statutes and regulations and that comported with due process, rather than from date notice was sent to prior owners. *Bembery v. District of Columbia*, 852 A.2d 935, 2004 D.C. App. LEXIS 306 (2004).

District of Columbia's letter informing taxpayers that a tax deed was going to be issued unless they paid back taxes fell short of due process requirement of notice after envelope containing notice of expiration of redemption period was returned unclaimed more than three years earlier; the taxpayers owned two pieces of property and lived at the property sold for failure to pay taxes, and the District mailed both letters to the other address. *Jones v. Grieg*, 829 A.2d 195, 2003 D.C. App. LEXIS 473 (2003).

When a notice that a redemption period is about to expire is returned by the post office as "unclaimed" and the District of Columbia makes no attempt thereafter to ensure that the

record owner receives some kind of notice of the imminent expiration, it has not complied with the "additional step" requirement to give notice of the imminent expiration. *Jones v. Grieg*, 829 A.2d 195, 2003 D.C. App. LEXIS 473 (2003).

District of Columbia's letter informing taxpayers that a tax deed was going to be issued unless they paid back taxes was not the additional step necessary after notice of expiration of redemption period was returned unclaimed more than three years earlier; the taxpayers owned two pieces of property and lived at the property sold for failure to pay taxes, and the District mailed both letters to the other address and made no other attempt to notify taxpayers of the imminent expiration. *Jones v. Grieg*, 829 A.2d 195, 2003 D.C. App. LEXIS 473 (2003).

If the District of Columbia does send notice to the record owner by registered or certified mail and the notice is returned unclaimed, the District is then required to take some additional step to notify the record owner of the expiration of redemption period following tax sale. *Jones v. Grieg*, 829 A.2d 195, 2003 D.C. App. LEXIS 473 (2003).

Actual notice of the expiration of the redemption period is not mandated by the statutes or regulations, and notice by mail to the record owner generally satisfies due process commands. *Jones v. Grieg*, 829 A.2d 195, 2003 D.C. App. LEXIS 473 (2003).

Envelope indicating that the post office had returned as unclaimed a notice of the expiration of taxpayer's right of redemption raised a genuine issue of material fact precluding summary judgment on notice and validity of tax sale deed; the District of Columbia did nothing else to notify record owners of the imminent expiration of the redemption period. *Jones v. Grieg*, 829 A.2d 195, 2003 D.C. App. LEXIS 473 (2003).

District of Columbia was entitled to acquire property that had been the subject of a tax sale by buying it from the record owner during the redemption period; District's right to acquire the tax-delinquent property was not limited to the statutory "bid off" procedure. D.C. Code 1981, §§ 47-1303, 47-1304(a). *Fawncrest Assocs. v. District of Columbia*, 727 A.2d 892, 1999 D.C. App. LEXIS 87 (1999).

District of Columbia was entitled to acquire property that had been subject of tax sale by buying it from record owner during redemption period, without strictly complying with redemption procedures by remitting the money to itself. D.C. Code 1981, §§ 47-1002, 47-1304(a). *Fawncrest Assocs. v. District of Columbia*, 727 A.2d 892, 1999 D.C. App. LEXIS 87 (1999).

District of Columbia, which redeemed tax-delinquent property, was not required to mail refund check to tax sale purchaser as soon as redemption took place; rather, District complied with statutory requirements by refunding

the tax sale purchaser the amount paid, plus interest to the date of repayment, at end of redemption period. D.C. Code 1981, § 47-1304(a). *Fawncrest Assocs. v. District of Columbia*, 727 A.2d 892, 1999 D.C. App. LEXIS 87 (1999).

When notice of expiring redemption period informing record owner that he could shortly lose his interest in his property for nonpayment of taxes is returned as unclaimed, Department of Finance and Revenue is required to undertake reasonable efforts to notify the record owner. D.C. Code 1981, §§ 47-820(c), 47-1301, 47-1302, 47-1304, 47-1306(a). *Malone v. Robinson*, 614 A.2d 33, 1992 D.C. App. LEXIS 219 (1992).

Failure of Department of Finance and Revenue to make reasonable efforts to locate record owner after notice of expiring redemption period was returned as unclaimed precluded Department from issuing valid tax deed to tax sale purchasers. D.C. Code 1981, §§ 47-820(c), 47-1301, 47-1302, 47-1304, 47-1306(a). *Malone v. Robinson*, 614 A.2d 33, 1992 D.C. App. LEXIS 219 (1992).

#### **Rights of purchaser.**

A tax sale purchaser has no remedy against the District of Columbia other than the statutorily prescribed refund with interest, even if the District has negligently allowed redemption after the statutory redemption period has run. *Bembery v. District of Columbia*, 852 A.2d 935, 2004 D.C. App. LEXIS 306 (2004).

A tax sale purchaser assumes the risks involved and has no remedy against the taxing authority. *Bembery v. District of Columbia*, 852 A.2d 935, 2004 D.C. App. LEXIS 306 (2004).

A tax sale purchaser may not sue the District of Columbia for specific performance. *Bembery v. District of Columbia*, 852 A.2d 935, 2004 D.C. App. LEXIS 306 (2004).

In the absence of statutory authorization, a tax sale purchaser ordinarily is not entitled to be reimbursed for its maintenance and improvement expenditures when its tax deed is declared invalid. *Associated Estates, LLC v. Caldwell*, 779 A.2d 939, 2001 D.C. App. LEXIS 194 (2001).

The general rule of law, in the absence of statute, does not hold the record owner liable for the cost of improvements, where the tax deed is void. *Associated Estates, LLC v. Caldwell*, 779 A.2d 939, 2001 D.C. App. LEXIS 194 (2001).

Tax sale purchaser was not entitled, under theory of unjust enrichment following avoidance of tax deed, to recoup from record owner the money that purchaser spent to repair and improve the property, absent any evidence that tax sale purchaser made repairs and improvements with record owner's knowledge and con-



sent. *Associated Estates, LLC v. Caldwell*, 779 A.2d 939, 2001 D.C. App. LEXIS 194 (2001).

Equitable principles may entitle a tax sale purchaser to recover maintenance and improvement costs from the record owner, despite the invalidity of the tax deed, if the purchaser meets the requirements of a quasi-contractual unjust enrichment claim. *Associated Estates, LLC v. Caldwell*, 779 A.2d 939, 2001 D.C. App. LEXIS 194 (2001).

Current landowner was a bona fide purchaser, though she obtained the property from holders of a tax deed; current landowner and her lender not only relied on the tax deed as proof of good title, but also on the default judgment that the holders obtained against the previous landowner, which confirmed the deed and quieted title. *Venison v. Robinson*, 756 A.2d 906, 2000 D.C. App. LEXIS 171 (2000).

Tax sale purchaser acquired only an inchoate interest in the property, which would not ripen into title for two years following the tax sale. D.C. Code 1981, § 47-1304(a). *Fawncrest Assocs. v. District of Columbia*, 727 A.2d 892, 1999 D.C. App. LEXIS 87 (1999).

Tax sale purchaser does not have cause of action against District of Columbia for specific performance when District allowed redemption of property after statutory redemption period had expired. D.C. Code 1981, §§ 47-1205(c), 47-1304. *Stuart v. District of Columbia*, 694 A.2d 49, 1997 D.C. App. LEXIS 81 (1997).

Tax sale purchasers, once they had complied with all statutory requirements at tax sale, acquired conditional interest in property which was not divested by District of Columbia's subsequent bid off in subsequent tax year when property was auctioned off again for nonpayment of taxes. D.C. Code 1981, §§ 47-1303, 47-1304(a). *Irving v. District of Columbia*, 665 A.2d 980, 1995 D.C. App. LEXIS 195 (1995), writ of certiorari denied by 516 U.S. 1172, 116 S. Ct. 1264, 134 L. Ed. 2d 212, 1996 U.S. LEXIS 1785, 64 U.S.L.W. 3623 (1996).

Tax sale purchaser is not required to pay taxes each year after tax sale to protect purchaser's interest in property. D.C. Code 1981, §§ 47-1303, 47-1304(a). *Irving v. District of Columbia*, 665 A.2d 980, 1995 D.C. App. LEXIS 195 (1995), writ of certiorari denied by 516 U.S. 1172, 116 S. Ct. 1264, 134 L. Ed. 2d 212, 1996 U.S. LEXIS 1785, 64 U.S.L.W. 3623 (1996).

When tax sale purchasers of residential property turned in tax certificate after redemption period expired, they extinguished any claim by District to property arising from bidoff of property in name of District at prior tax sales; because District must resell property each year, it cannot protect its interest as private tax sale purchaser could, and when purchasers surrendered their tax certificate before District issued itself deed, they were entitled to deed pursuant to statute applicable to private purchasers.

D.C. Code 1981, § 47-1304. *Massie v. District of Columbia*, 634 A.2d 1226, 1993 D.C. App. LEXIS 320 (1993), remanded by 745 A.2d 299, 2000 D.C. App. LEXIS 19 (D.C. 2000).

Second purchaser at tax sale may obtain priority over previous tax sale purchaser; thus, to fully protect its right to obtain tax deed, prior tax sale purchaser must make certain that property is not again subject of tax sale by paying taxes as they come due. D.C. Code 1981, § 47-1304. *Massie v. District of Columbia*, 634 A.2d 1226, 1993 D.C. App. LEXIS 320 (1993), remanded by 745 A.2d 299, 2000 D.C. App. LEXIS 19 (D.C. 2000).

### Service of process.

Previous owner's bare denial of receipt of the complaint or any other documents related to the case against him to confirm a tax deed and quiet title in real property, other than the final default judgment, was not sufficient to overcome the presumption of truth attached to the statement in the process server's return that he personally served the summons and complaint. *Venison v. Robinson*, 756 A.2d 906, 2000 D.C. App. LEXIS 171 (2000).

Trial court was not required to conduct a hearing to determine the validity of the service of the summons and complaint on previous owner before entering default judgment, in action to confirm a tax deed and quiet title in real property, where previous owner merely denied receipt of the process without contesting the substance of the server's affidavit that stated previous owner was personally served. *Venison v. Robinson*, 756 A.2d 906, 2000 D.C. App. LEXIS 171 (2000).

Previous landowner's promptness in coming forward after a default judgment was entered against him, in action to confirm a tax deed and quiet title in real property, carried little or no weight, as factor considered on review of a denial of a motion to vacate a default judgment, where previous landowner presented no evidence, other than his unsupported claim that the judgment was the first document he received in the case, contesting the process server's affidavit that he was personally served, which allowed presumption that he received personal service. *Venison v. Robinson*, 756 A.2d 906, 2000 D.C. App. LEXIS 171 (2000).

### Tax certificates.

Tax certificate does not operate to transfer title because redemption period must run before such transfer occurs. D.C. Code 1981, § 47-1304. *Massie v. District of Columbia*, 634 A.2d 1226, 1993 D.C. App. LEXIS 320 (1993), remanded by 745 A.2d 299, 2000 D.C. App. LEXIS 19 (D.C. 2000).

Certificate of sale issued to successful bidder at tax auction does not operate to transfer title; after redemption period has run, tax sale pur-

chaser may apply for deed any time within five years from date of tax sale. D.C. Code 1981, § 47-1304. *District of Columbia v. Mayhew*, 601 A.2d 37, 1991 D.C. App. LEXIS 338 (1991), remanded by 672 A.2d 1075, 1996 D.C. App. LEXIS 31 (D.C. 1996).

**Tax deeds.**

Under District of Columbia statute, if owner of property does not redeem it within two years of tax sale, purchaser of tax sale certificate at such sale may, within next three years, obtain tax deed to property by paying all taxes and charges then due and owing, but if property is subject of another tax sale resulting in issuance of tax deed, tax deed expunges all other interests in property and vests in holder new and complete title to property in fee simple. D.C. Code 1961, §§ 47-1001 to 47-1003. *Gray Properties, Inc. v. Tobriner*, 357 F.2d 829, 1966 U.S. App. LEXIS 6925 (C.A.D.C. 1966).

The general rule of law, in the absence of statute, does not hold the record owner liable for the cost of improvements, where the tax deed is void. *Associated Estates, LLC v. Caldwell*, 779 A.2d 939, 2001 D.C. App. LEXIS 194 (2001).

Previous landowner's failure to overcome the presumption that he was personally served with summons and complaint that sought to confirm a tax deed and quiet title in real property, which arose from the statement of personal service in the process server's return, prevented a conclusion that he acted in good faith, as factor considered on review of a denial of a motion to vacate a default judgment. *Venison v. Robinson*, 756 A.2d 906, 2000 D.C. App. LEXIS 171 (2000).

Previous landowner's simple assertion, unsupported by the evidence, that the District of Columbia did not follow proper procedures when it sold his property for delinquent taxes, was insufficient to establish a prima facie defense, as factor considered on review of a denial of a motion to vacate a default judgment. *Venison v. Robinson*, 756 A.2d 906, 2000 D.C. App. LEXIS 171 (2000).

A deed issued under the tax sale statute is prima facie evidence of a good and perfect title in fee simple to any property brought at such sale. D.C. Code 1981, § 47-1304(a). *Massie v. District of Columbia*, 745 A.2d 299, 2000 D.C. App. LEXIS 19 (2000).

**§ 47-1305. Real property tax assignment; sale and transfers — Applicability of changed interest rates. [Repealed].**

Repealed.

(June 25, 1938, 52 Stat. 1201, ch. 702, § 9(d); enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 504(j), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1305.

1973 Ed., § 47-1004.

Temporary Repeal of Section For temporary (225 day) repeal of section, see § 4(l) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary (90 day) repeal of section, see § 4(j)(2) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**§ 47-1306. Real property tax assignment; sale and transfers — Right of redemption.**

(a) The owner of any property sold as aforesaid, or any other person having an interest therein at the time of redemption, may redeem the same from such sale at any time within 6 months after the last day of sale by paying to the Collector of Taxes, for the use of the purchaser, his heirs and assigns, the sum mentioned in the certificate of sale therefor, exclusive of surplus with interest thereon at the rate of 18% per annum after the date of such certificate of sale.



(b) The time period for redemption of properties brought to tax sale under § 47-1205(b), shall be 6 months.

(c) The time period for redemption of properties brought to tax sale under § 8-807(f), shall be 6 months.

(d) The time period for redemption of property brought to tax sale under § 34-2109, § 34-2110, or § 34-2407.02, shall be 180 days.

(Feb. 28, 1898, 30 Stat. 250, ch. 32, § 4; July 1, 1902, 32 Stat. 635, ch. 1358, § 1(4); Aug. 9, 1986, D.C. Law 6-135, § 14(b), 33 DCR 3771; Sept. 20, 1989, D.C. Law 8-31, § 5(b), 36 DCR 4750; June 13, 1990, D.C. Law 8-136, § 9(a)(2), 37 DCR 2620; Sept. 26, 1995, D.C. Law 11-52, § 109(c), 42 DCR 3684; Sept. 9, 1996, D.C. Law 11-153, § 3(c), 43 DCR 4380; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in §§ 47-1205 and 47-1304.

**Prior Codifications.** — 1981 Ed., § 47-1306.

1973 Ed., § 47-1005.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 107(c) of Multiyear Budget Spending Reduction and Support Temporary Act of 1995 (D.C. Law 10-253, March 23, 1995, law notification 42 DCR 1652).

**Emergency legislation.** — For temporary amendment of section, see § 109(c) of the Omnibus Budget Support Congressional Review Emergency Act of 1995 (D.C. Act 11-124, July 27, 1995, 42 DCR 4160).

**Legislative history of Law 6-135.** — For legislative history of D.C. Law 6-135, see Historical and Statutory Notes following § 47-1304.

**Legislative history of Law 8-31.** — For legislative history of D.C. Law 8-31, see Historical and Statutory Notes following § 47-1304.

**Legislative history of Law 8-136.** — For legislative history of D.C. Law 8-136, see Historical and Statutory Notes following § 47-1303.

**Legislative history of Law 11-52.** — For legislative history of D.C. Law 11-52, see Historical and Statutory Notes following § 47-1301.

**Legislative history of Law 11-153.** — For legislative history of D.C. Law 11-153, see Historical and Statutory Notes following § 47-1303.04.

**Editor's notes.** — Application of §§ 104(c), 109(b), (c) and (d), 110, and 111 of Law 11-52: Section 1602 of D.C. Law 11-52 provided that the provisions of §§ 104(c), 109(b), (c), and (d), 110, and 111 of that act shall apply to the real property tax sale conducted in July 1995 and for each sale conducted thereafter.

Office of Collector of Taxes abolished: See Historical and Statutory Notes following § 47-401.

## CASE NOTES

### ANALYSIS

Amount required to redeem.

Due process.

In general.

Redemption period expiration notice.

Time for redemption.

### Amount required to redeem.

Tax sale purchaser who acquired property sold for unpaid water and sewer bills was entitled to interest at rate of 1% per month when property was timely redeemed, rather than 2% monthly interest rate provided by water and sewer lien statute. D.C. Code 1981, §§ 43-1529, 47-1304, 47-1306. *Stuart v. District of Columbia*, 694 A.2d 49, 1997 D.C. App. LEXIS 81 (1997).

Where property owners paid more than was necessary to redeem property within appropri-

ate time and continued to pay taxes on property in following year, property owners would not be required to suffer a forfeiture for reason that district did not apply payments toward redemption of property but rather applied payments towards current tax liabilities. D.C. Code 1981, § 47-1306. *Robinson v. Hopkins*, 445 A.2d 958, 1982 D.C. App. LEXIS 356 (1982).

### Due process.

District of Columbia's letter informing taxpayers that a tax deed was going to be issued unless they paid back taxes fell short of due process requirement of notice after envelope containing notice of expiration of redemption period was returned unclaimed more than three years earlier; the taxpayers owned two pieces of property and lived at the property sold for failure to pay taxes, and the District mailed

both letters to the other address. *Jones v. Grieg*, 829 A.2d 195, 2003 D.C. App. LEXIS 473 (2003).

Actual notice of the expiration of the redemption period is not mandated by the statutes or regulations, and notice by mail to the record owner generally satisfies due process commands. *Jones v. Grieg*, 829 A.2d 195, 2003 D.C. App. LEXIS 473 (2003).

Actual notice of expiration of redemption period for property sold for nonpayment of taxes is not mandated either as matter of due process or of construction of regulation, but, rather, notice by mail to record owner generally satisfies due process commands. D.C. Code 1981, §§ 47-820(c), 47-1301, 47-1302, 47-1304, 47-1306(a); U.S. Const. Amends. 5, 14. *Malone v. Robinson*, 614 A.2d 33, 1992 D.C. App. LEXIS 219 (1992).

#### **In general.**

The District of Columbia can effectuate a valid conveyance of property for nonpayment of real estate taxes only by strict compliance with the tax sale statute and regulations. *Langon v. Reilly*, 802 A.2d 951, 2002 D.C. App. LEXIS 317 (2002).

If the District of Columbia fails to comply in every respect with the statute and regulations on sale of property for failure to pay real estate taxes, the sale is invalid and must be set aside. *Langon v. Reilly*, 802 A.2d 951, 2002 D.C. App. LEXIS 317 (2002).

Purchasers' remedy against District of Columbia for any negligence of District in failing to issue tax deeds immediately after purchase of properties, which had been acquired and resold by District after lack of bids at tax sale, did not include recovery of fair market value of properties, but rather was limited to recovery of purchase price plus interest. D.C. Code 1981, §§ 47-1306, 47-1308. *McCulloch v. District of Columbia*, 685 A.2d 399, 1996 D.C. App. LEXIS 248 (1996).

#### **Redemption period expiration notice.**

Before a tax deed transferring ownership of real property may be issued, the District of Columbia is required to notify the record owner of the property of the statutory right to redeem the property by paying the purchase price for the tax lien with interest. *Jones v. Thompson*, 953 A.2d 1121, 2008 D.C. App. LEXIS 364 (2008).

District of Columbia's letter informing taxpayers that a tax deed was going to be issued unless they paid back taxes was not the additional step necessary after notice of expiration of redemption period was returned unclaimed more than three years earlier; the taxpayers owned two pieces of property and lived at the property sold for failure to pay taxes, and the

District mailed both letters to the other address and made no other attempt to notify taxpayers of the imminent expiration. *Jones v. Grieg*, 829 A.2d 195, 2003 D.C. App. LEXIS 473 (2003).

If the District of Columbia does send notice to the record owner by registered or certified mail and the notice is returned unclaimed, the District is then required to take some additional step to notify the record owner of the expiration of redemption period following tax sale. *Jones v. Grieg*, 829 A.2d 195, 2003 D.C. App. LEXIS 473 (2003).

Envelope indicating that the post office had returned as unclaimed a notice of the expiration of taxpayer's right of redemption raised a genuine issue of material fact precluding summary judgment on notice and validity of tax sale deed; the District of Columbia did nothing else to notify record owners of the imminent expiration of the redemption period. *Jones v. Grieg*, 829 A.2d 195, 2003 D.C. App. LEXIS 473 (2003).

When a notice that a redemption period is about to expire is returned by the post office as "unclaimed" and the District of Columbia makes no attempt thereafter to ensure that the record owner receives some kind of notice of the imminent expiration, it has not complied with the "additional step" requirement to give notice of the imminent expiration. *Jones v. Grieg*, 829 A.2d 195, 2003 D.C. App. LEXIS 473 (2003).

#### **Time for redemption.**

Owners of record properly effected redemption, when they made payment of the taxes due prior to the extended expiration date, as measured from date that District of Columbia provided notice that complied strictly with the requirements of applicable statutes and regulations and that comported with due process, rather than from date notice was sent to prior owners. *Bembery v. District of Columbia*, 852 A.2d 935, 2004 D.C. App. LEXIS 306 (2004).

Previous landowner's bald allegation that he paid taxes since he acquired the property did not establish a prima facie defense, as factor considered on review of a denial of a motion to vacate a default judgment, that the sale of the property for delinquent taxes was invalid, where the proffered evidence of tax payments were at least five years after his redemption period expired. *Venison v. Robinson*, 756 A.2d 906, 2000 D.C. App. LEXIS 171 (2000).

Tax sale purchaser, whether public or private, acquires inchoate interest in property that will not ripen into title for two years following tax sale, during which period record owner may redeem his interest by paying aggregate amount of taxes, penalties, and costs due. D.C. Code 1981, § 47-1306. *McCulloch v. District of Columbia*, 685 A.2d 399, 1996 D.C. App. LEXIS 248 (1996).



## § 47-1307. Real property tax assignment; sale and transfers — Report to be filed with Recorder of Deeds; disposition of surplus; redemption.

(a) The Collector of Taxes shall, within 20 days, exclusive of Saturdays, Sundays and legal holidays, after the last day of the sale hereinbefore provided for as aforesaid, file with the Recorder of Deeds a written report, in which he shall give a statement of the property sold, other than that sold to the District of Columbia, to whom it was assessed, the taxes due, to whom sold, the amount paid, the date of sale, the cost thereof, and the surplus, if any. Any surplus remaining after the collection of taxes, penalties, and costs on any real estate shall be collected as hereinbefore provided for, and shall be deposited by the Collector of Taxes to the credit of the Surplus Fund, to be paid to the owner or owners, or their legal representatives, in the same manner as other payments made by the District; provided, that if any property sold for taxes, as herein provided, is redeemed from such sale within 6 months from last day of sale, any surplus paid at time of sale shall be paid by the District of Columbia to the legal holder of certificate of sale.

(b) The time period for redemption of properties brought to tax sale under § 47-1205(b), shall be 6 months.

(c) The time period for redemption of properties brought to tax sale under § 8-807(f), shall be 6 months.

(d) The time period for redemption of property brought to tax sale under § 34-2109, § 34-2110, or § 34-2407.02, shall be 180 days.

(Feb. 28, 1898, 30 Stat. 252, ch. 32, § 5; July 1, 1902, 32 Stat. 635, ch. 1358, § 1(5); Aug. 9, 1986, D.C. Law 6-135, § 14(c), 33 DCR 3771; Sept. 20, 1989, D.C. Law 8-31, § 5(c), 36 DCR 4750; June 13, 1990, D.C. Law 8-136, § 9(a)(3), 37 DCR 2620; Sept. 26, 1995, D.C. Law 11-52, § 109(d), 42 DCR 3684; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 504(k), 48 DCR 334; Oct. 19, 2002, D.C. Law 14-213, § 36(c), 49 DCR 8140.)

**Section references.** — This section is referred to in §§ 47-1205 and 47-1304.

**Prior Codifications.** — 1981 Ed., § 47-1307.

1973 Ed., § 47-1006.

**Effect of amendments.** — D.C. Law 13-305, in subsec. (a), inserted "Saturdays".

D.C. Law 14-213, in subsec. (a), validated a previously made technical correction.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 107(d) of Multiyear Budget Spending Reduction and Support Temporary Act of 1995 (D.C. Law 10-253, March 23, 1995, law notification 42 DCR 1652).

For temporary (225 day) amendment of section, see § 4(m) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary amendment of section, see § 109(d) of the Omnibus Budget Support Congressional Review Emergency Act of 1995 (D.C. Act 11-124, July 27, 1995, 42 DCR 4160).

For temporary (90 day) amendment of section, see § 4(k) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 6-135.** — For legislative history of D.C. Law 6-135, see Historical and Statutory Notes following § 47-1304.

**Legislative history of Law 8-31.** — For legislative history of D.C. Law 8-31, see Historical and Statutory Notes following § 47-1304.

**Legislative history of Law 8-136.** — For legislative history of D.C. Law 8-136, see His-

torical and Statutory Notes following § 47-1303.

**Legislative history of Law 11-52.** — For legislative history of D.C. Law 11-52, see Historical and Statutory Notes following § 47-1301.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 14-213.** — For Law 14-213, see notes following § 47-820.

**Editor's notes.** — Application of §§ 104(c), 109(b), (c) and (d), 110 and 111 of Law 11-52: Section 1602 of D.C. Law 11-52 provided that the provisions of sections 104(c), 109(b), (c) and (d), 110, and 111 of that act shall apply to the real property tax sale conducted in July 1995 and for each sale conducted thereafter.

Office of Collector of Taxes abolished: See Historical and Statutory Notes following § 47-401.

## CASE NOTES

### ANALYSIS

Equal protection.

In general.

### Equal protection.

Statute requiring District of Columbia to file report of property sold at tax sale with recorder of deeds, except in case of property sold to District, was rationally related to goal of making record of person to whom tax sale property had been sold, price, amount paid, and surplus over amount of taxes owing and, thus, statute does not violate equal protection, even if equal protection analysis could be applied to statute that merely differentiated between postsale procedures. D.C. Code 1981, § 47-1307; U.S. Const. Amends. 5, 14. *Jones v. District of Columbia*, 585 A.2d 1320, 1990 D.C. App. LEXIS 331 (1990).

### In general.

Regulation of Department of Finance and Revenue excluding Saturdays from 20-day period following tax sale in which written report is to be filed was reasonable; earlier statute, in which only Sundays and legal holidays were expressly excluded from the time period, had to be reconciled with later statute closing recorder's office on Saturdays. D.C. Code 1981, §§ 45-913, 45-914; D.C. Code 1973, § 47-1006. *Keatts*

*v. Robinson*, 544 A.2d 716, 1988 D.C. App. LEXIS 120 (1988), remanded by 589 A.2d 430, 1991 D.C. App. LEXIS 82 (D.C. 1991).

Under D.C. Code 1973, § 47-1006 which requires that report of tax sale be filed with Recorder of Deeds, property owner is entitled to have all details of statute strictly complied with, and failure of such compliance may suffice to vitiate all subsequent proceeding, including sale of property for delinquent taxes. *Frassetto v. Barry*, 497 A.2d 109, 1985 D.C. App. LEXIS 462 (1985).

Even assuming that Court could properly take judicial notice on appeal of report of tax sale, consisting of document listing all property sold for delinquent taxes between certain dates, it did not demonstrate that such record was filed with Recorder of Deeds within 20 days after last day of sale pursuant to D.C. Code 1973, § 47-1006, governing filing of report of tax sale with Recorder of Deeds. *Frassetto v. Barry*, 497 A.2d 109, 1985 D.C. App. LEXIS 462 (1985).

Where a tax sale report was delivered to the Recorder of Deeds office but was not filed as required by this section and was actually misplaced for a period of time rather than being available for public inspection, a tax deed subsequently issued upon failure of record title holder to redeem was void. *Scheve v. Short*, 114 WLR 2601 (Super. Ct. 1986).

## § 47-1308. Real property tax assignment; sale and transfers — Invalid sales.

The Mayor of the District of Columbia shall not convey any property sold for taxes if he shall discover, before the conveyance, that the sale was for any cause invalid and ineffectual to give title to the property sold; but he shall cancel the sale and cause the purchase money, together with interest at the rate of 6% per annum, and the surplus, if any, to be refunded to the purchaser, his representatives or assigns; provided, that if any conveyance made by the Mayor, of property sold for taxes, shall at any time be set aside by decree of any court as invalid, the party in whose favor the decree is rendered shall pay to the party holding such conveyance, his heirs or assigns, the amount paid for such taxes and conveyances, together with interest at the rate of 6% per annum.



(Feb. 28, 1898, 30 Stat. 252, ch. 32, § 6; July 1, 1902, 32 Stat. 635, ch. 1358, § 1(6); enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-1304.

1973 Ed., § 47-1007.

**Prior Codifications.** — 1981 Ed., § 47-1308.

## CASE NOTES

### ANALYSIS

In general.

Reimbursement of holders of invalid titles.

#### In general.

If the District of Columbia fails to comply in every respect with the tax sale statute and regulations, the sale is invalid and must be set aside. *CCD-SAT, Inc. v. Pratt*, 972 A.2d 322, 2009 D.C. App. LEXIS 164 (2009).

The District of Columbia can effectuate a valid conveyance of property for nonpayment of real estate taxes only by strict compliance with the tax sale statute and regulations. *CCD-SAT, Inc. v. Pratt*, 972 A.2d 322, 2009 D.C. App. LEXIS 164 (2009).

District deviated from requirements of tax sale statute and regulations in sending notice to property owner of the expiring redemption period by ordinary mail, rather than registered or certified mail, and thus, conveyance of the property to tax sale purchaser was invalid, even if owner had actual notice of expiration of redemption period. *Associated Estates, LLC v. Caldwell*, 779 A.2d 939, 2001 D.C. App. LEXIS 194 (2001).

If the District fails to comply in every respect with the tax sale statute and regulations, the sale is invalid and must be set aside. *Associated Estates, LLC v. Caldwell*, 779 A.2d 939, 2001 D.C. App. LEXIS 194 (2001).

Where possessory action was certified for transfer to Civil Division by Landlord and Tenant Branch because of jury demand and plea of title and defendant then withdrew plea of title and case proceeded in Civil Division only because of the jury demand, case remained subject to Landlord and Tenant Branch rules in all respects except for actual conduct of trial and court had no authority to grant plaintiffs, claiming under tax deed, relief beyond claimed right to possession, and once claim for possession failed for lack of valid tax deed, court had no authority to impose lien against the property for amount of taxes plaintiffs had paid plus statutory interest, or any other form of relief. *Landlord and Tenant Rules 1, 3, 6; D.C. Code 1981, § 47-1308. Barnes v. Scheve*, 633 A.2d 62, 1993 D.C. App. LEXIS 284 (1993).

#### Reimbursement of holders of invalid titles.

Tax certificate holder could not sue District of

Columbia to require specific performance of issuing tax deed; his sole remedy against the District was a refund plus interest. *Bembery v. District of Columbia*, 852 A.2d 935, 2004 D.C. App. LEXIS 306 (2004).

In the absence of statutory authorization, a tax sale purchaser ordinarily is not entitled to be reimbursed for its maintenance and improvement expenditures when its tax deed is declared invalid. *Associated Estates, LLC v. Caldwell*, 779 A.2d 939, 2001 D.C. App. LEXIS 194 (2001).

Invalid tax deed did not entitle tax sale purchaser to recoup from record owner the money purchaser spent to repair and improve the property, even if purchaser relied on fact that District issued tax deed after apparent expiration of redemption period; purchaser was entitled to recover only his statutory damages of the amount paid for taxes and conveyances, plus interest. *Associated Estates, LLC v. Caldwell*, 779 A.2d 939, 2001 D.C. App. LEXIS 194 (2001).

The general rule against requiring the record owner to reimburse the tax sale purchaser for improvements to the property when the tax sale is voided is not absolute; when the tax sale purchaser must account to the record owner for the rentals or other profits that it earned from its temporary possession of the property, the tax purchaser may be entitled to an offset against its earnings for amounts it expended to maintain the property. *Associated Estates, LLC v. Caldwell*, 779 A.2d 939, 2001 D.C. App. LEXIS 194 (2001).

Purchasers' remedy against District of Columbia for any negligence of District in failing to issue tax deeds immediately after purchase of properties, which had been acquired and resold by District after lack of bids at tax sale, did not include recovery of fair market value of properties, but rather was limited to recovery of purchase price plus interest. *D.C. Code 1981, §§ 47-1306, 47-1308. McCulloch v. District of Columbia*, 685 A.2d 399, 1996 D.C. App. LEXIS 248 (1996).

Person holding tax title which is later deemed invalid by any court is entitled to reimbursement for amount paid for title as well as taxes paid and interest under *D.C. Code 1981, § 47-1308*, but rentals received by tax

title owners may be setoff against amount due them. *Robinson v. Mattox*, 500 A.2d 1001, 1985 D.C. App. LEXIS 559 (1985).

Trial court properly awarded owners a set off for rentals collected by tax title owners of property during their possession pursuant to tax title against reimbursement owners owed tax title owners for amount tax title owners

paid for title, taxes and interest under D.C. Code 1981, § 47-1308, even though no evidence was adduced at trial as to amount where at hearing of motion to show cause parties agreed on amount of rent tax title owners had collected. *Robinson v. Mattox*, 500 A.2d 1001, 1985 D.C. App. LEXIS 559 (1985).

## § 47-1309. Real property tax assignment; sale and transfers — Advertising expenses.

The expenses of advertising the notice of sale and delinquent tax list for real property taxes, water charges, sanitary sewer service charges, and special assessments in arrears together with penalties and costs, shall be reimbursed to the District by a charge to be fixed annually by the Mayor and assessed against each lot or piece of property advertised. The amounts so received shall be deposited to such fund of the District as the Mayor shall from time to time determine.

(Feb. 28, 1898, 30 Stat. 252, ch. 32, § 7; July 1, 1902, 32 Stat. 635, ch. 1358, § 1(7); May 21, 1928, 45 Stat. 650, ch. 659; Oct. 26, 1973, 87 Stat. 508, Pub. L. 93-140, § 25(b); enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-1304. 1973 Ed., § 47-1008.

**Prior Codifications.** — 1981 Ed., § 47-1309.

## § 47-1310. Duties of Assessor — Furnishment of information.

The Assessor of the District of Columbia shall furnish information with respect to taxes, special assessments, and valuations to any person having any interest in the property with respect to which such information is requested.

(Feb. 28, 1898, 30 Stat. 252, ch. 32, § 8; July 1, 1902, 32 Stat. 635, ch. 1358, § 1(8); June 25, 1938, 52 Stat. 1201, ch. 702, § 8; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-1304. 1973 Ed., § 47-1009.

**Prior Codifications.** — 1981 Ed., § 47-1310. **Editor's notes.** — Office of Assessor abolished: See Historical and Statutory Notes following § 47-413.

## § 47-1311. Same — Preparation of list of sold property.

It shall be the duty of the Assessor for the District of Columbia to prepare and keep in his office, for public inspection, a list of all real estate in the District of Columbia heretofore sold, or which may hereafter be sold, for the nonpayment of any general or special tax or assessment levied or assessed upon the same, said list to show the date of sale and for what taxes sold; in whose name assessed at the time of sale; the amount for which the same was



sold; when and to whom conveyed if deeded, or, if redeemed from said sale, the date of redemption.

(Feb. 6, 1879, 20 Stat. 283, ch. 50; May 13, 1892, 27 Stat. 37, ch. 74; Mar. 3, 1917, 39 Stat. 1005, ch. 160; June 25, 1938, 52 Stat. 1202, ch. 702, § 11; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1311.  
1973 Ed., § 47-1010.

**Editor's notes.** — Office of Assessor abolished: See Historical and Statutory Notes following § 47-413.

## § 47-1312. Liens for taxes or assessments — Petition to enforce; redemption.

(a) Whenever any real estate in the District of Columbia has been, or shall hereafter be, offered for sale for nonpayment of taxes or assessments of any kind whatsoever, and shall have been bid off in the name of the District of Columbia, and more than 6 months shall have elapsed since such property was bid off as aforesaid and the same has not been redeemed as provided by law, the Mayor of said District may, in the name of the District aforesaid, petition the Superior Court of the District of Columbia to enforce the lien of said District for taxes or other assessments on the aforesaid property by decreeing a sale thereof; and up to the time of the sale hereinafter provided for such property may be redeemed by the owner or other person having an interest therein by the payment of all taxes or assessments due the District of Columbia upon said property and all legal penalties and costs thereon, together with such other expenses as may have been incurred by said District prior to, and as a result of, the filing of the action herein provided for.

(a-1) The lien created by nonpayment of real property taxes is an automatic lien which is perfected whenever full payment including penalty and interest is not made on the due date and shall be a prior and preferred claim over all other liens.

(b) The time period for redemption of properties brought to tax sale under § 47-1205(b), shall be 6 months.

(c) The time period for redemption of properties brought to tax sale under § 8-807(f), shall be 6 months.

(d) The time period for redemption of property brought to tax sale under § 34-2109, § 34-2110, or § 34-2407.02, shall be 180 days.

(Mar. 2, 1936, 49 Stat. 1153, ch. 111, § 1; June 25, 1936, 49 Stat. 1921, ch. 804; June 25, 1948, 62 Stat. 991, ch. 646, § 32(b); May 24, 1949, 63 Stat. 107, ch. 139, § 127; July 29, 1970, 84 Stat. 573, Pub. L. 91-358, title I, § 155(c)(47); Aug. 9, 1986, D.C. Law 6-135, § 14(d), 33 DCR 3771; Sept. 20, 1989, D.C. Law 8-31, § 5(d), 36 DCR 4750; June 13, 1990, D.C. Law 8-136, § 9(b), 37 DCR 2620; Sept. 26, 1995, D.C. Law 11-52, § 110, 42 DCR 3684; Sept. 9, 1996, D.C. Law 11-153, § 4(a), 43 DCR 4380; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in §§ 47-1205, 47-1303.04, and 47-1315.

**Prior Codifications.** — 1981 Ed., § 47-1312.

1973 Ed., § 47-1011.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 108(a) of Multiyear Budget Spending Reduction and Support Temporary Act of 1995 (D.C. Law 10-253, March 23, 1995, law notification 42 DCR 1652).

**Emergency legislation.** — For temporary amendment of section, see § 110 of the Omnibus Budget Support Congressional Review Emergency Act of 1995 (D.C. Act 11-124, July 27, 1995, 42 DCR 4160).

**Legislative history of Law 6-135.** — For

legislative history of D.C. Law 6-135, see Historical and Statutory Notes following § 47-1304.

**Legislative history of Law 8-31.** — For legislative history of D.C. Law 8-31, see Historical and Statutory Notes following § 47-1304.

**Legislative history of Law 8-136.** — For legislative history of D.C. Law 8-136, see Historical and Statutory Notes following § 47-1303.

**Legislative history of Law 11-52.** — For legislative history of D.C. Law 11-52, see Historical and Statutory Notes following § 47-1301.

**Legislative history of Law 11-153.** — For legislative history of D.C. Law 11-153, see Historical and Statutory Notes following § 47-1303.04.

## CASE NOTES

### In general.

Based on their in rem status, prepetition tax liens of District of Columbia government took priority over prior secured claims of first and second trust holders. D.C. Code 1981, § 47-1312. In re Carlisle Court, Inc., 36 B.R. 209, 1983 Bankr. LEXIS 4736 (1983).

Assessment of taxes which are due and owing the District of Columbia constitutes a lien on the real estate and essentially runs with the property irrespective of any action which is taken to enforce the tax lien itself. D.C. Code §§ 47-1003, 47-1011. In re Ray's Automatic Transmission Service, Inc., 1 B.R. 743, 1980 Bankr. LEXIS 5757 (1980).

Property that is bid off to government by operation of law at tax sale to government can be disposed of in three ways: government can

sell the property, enforce lien against the property, or place the property in homestead program. D.C. Code 1981, §§ 45-2701 et seq., 45-2711, 47-1304, 47-1312 to 47-1314. District of Columbia v. Mayhew, 601 A.2d 37, 1991 D.C. App. LEXIS 338 (1991), remanded by 672 A.2d 1075, 1996 D.C. App. LEXIS 31 (D.C. 1996).

Prior to disposing of property bid off by operation of law at tax sale, government must provide additional notice to record owner if the property is sold to satisfy tax lien or placed in the homestead program. D.C. Code 1981, §§ 45-2701 et seq., 45-2711, 47-1304, 47-1312 to 47-1314. District of Columbia v. Mayhew, 601 A.2d 37, 1991 D.C. App. LEXIS 338 (1991), remanded by 672 A.2d 1075, 1996 D.C. App. LEXIS 31 (D.C. 1996).

## § 47-1313. Liens for taxes or assessments — Notice to record owner; proper parties defendant; court order; validity of judicial service and sale.

Before any such action shall be instituted, the Mayor shall cause notice to be given in the name appearing upon the records of the Assessor as the owner of such property, by registered mail or by certified mail directed to the last-known address of such person, and by publication once a week for 3 successive weeks in some daily newspaper published and circulated generally in the District of Columbia, against said person and "all other persons having or claiming to have any right, title, or interest in or to the real estate proposed to be proceeded against, their heirs, devisees, executors, administrators, and assigns," by such designation, to appear before him on a day certain, which day shall be at least 10 days after the last publication of said notice, and show cause, if any they have, why the said real estate should not be proceeded against. For the purpose of the proceedings herein provided for, the person appearing by the Assessor's records, at the time of the first publication of



notice, as the owner of such property, and any other persons who may appear in response to the publication aforesaid and claim to have an interest in such property, shall be deemed proper parties defendant in any such proceedings. Upon the filing of the petition aforesaid, the Court shall enter an order directed to the person or persons named as defendants therein and "to all other persons having or claiming to have any right, title, or interest in the real estate proposed to be sold, their heirs, devisees, executors, administrators, and assigns," by such designation, directing them to appear on a day certain, which day shall be not less than 30 days after the date of the last publication of said order, and show cause, if any they have, why said real estate should not be proceeded against and sold. The said order shall be published once a week for 3 successive weeks in some daily newspaper published and circulated generally in the District of Columbia, and such publication shall be considered as sufficient service upon such person or persons as cannot be found by the Marshal within the District of Columbia or who are nonresident or unknown, their heirs, devisees, executors, administrators, and assigns; and the proceedings or sale of such real estate shall not be rendered invalid if the true owner or owners or any other person or persons having any right, title, or interest in said real estate shall not be included as a party to the suit, if it shall appear that the publication herein provided for shall have been duly made.

(Mar. 2, 1936, 49 Stat. 1154, ch. 111, § 2; June 11, 1960, 74 Stat. 203, Pub. L. 86-507, § 1(53); enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Cross references.** — Documentary evidence, certified mail return receipts, see § 14-506.

**Section references.** — This section is referred to in §§ 47-1303.04 and 47-1315.

**Prior Codifications.** — 1981 Ed., § 47-1313.

1973 Ed., § 47-1012.

**Editor's notes.** — Office of Assessor abolished: See Historical and Statutory Notes following § 47-413.

## CASE NOTES

### ANALYSIS

Due process.  
In general.

#### Due process.

Heirs at law of deceased record owner of realty were not deprived of due process of law by tax sale of the property without actual notice where the district complied with the statutory requirements on notice and the provisions governing the manner in which real property is to

be assessed, i.e., mailed the required notices to the record owner. D.C. Code §§ 47-701, 47-1001, 47-1001a, 47-1012. *Moore v. Government of Dist. of Columbia*, 332 A.2d 749, 1975 D.C. App. LEXIS 327 (1975).

#### In general.

District's power to sell real property in satisfaction of delinquent taxes is subject to various notice requirements. D.C. Code 1973, §§ 47-1001, 47-1001a. *Frassetto v. Barry*, 497 A.2d 109, 1985 D.C. App. LEXIS 462 (1985).

## § 47-1314. Liens for taxes or assessments — Sale of property.

Upon proof in said suit of the failure of the owner of any such property to redeem the same as provided by law, the Court shall, without unreasonable delay, decree a sale of the property to satisfy the lien of the District of Columbia

for taxes, assessments, penalties, interest, and costs, and any other costs or expenses that have been incurred by said District prior to or after the institution of suit and in connection therewith, which said costs shall include Court costs and reasonable attorney fees. All such sales shall be conducted by the Collector of Taxes or his Deputy, by public auction either in the office of said Collector or in front of the premises to be sold, as the Court may determine, after advertisement for 10 consecutive days in some daily newspaper published and circulated generally in the District of Columbia; provided, that if it shall appear that there were any substantial defects in any tax sale no part of the penalties and charges incidental to such sales shall be collectible; but nothing herein contained shall in any wise affect any cost incurred by the District of Columbia in the institution and prosecution of the suit.

(Mar. 2, 1936, 49 Stat. 1154, ch. 111, § 3; Sept. 9, 1996, D.C. Law 11-153, § 4(b), 43 DCR 4380; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in §§ 47-1303.04, 47-1315, and 47-1320.

**Prior Codifications.** — 1981 Ed., § 47-1314.

1973 Ed., § 47-1013.

**Legislative history of Law 11-153.** — For

legislative history of D.C. Law 11-153, see Historical and Statutory Notes following § 47-1303.04.

**Editor's notes.** — Office of Collector of Taxes abolished: See Historical and Statutory Notes following § 47-401.

## § 47-1315. Liens for taxes or assessments — Confirmation of sale; amount payable; disposition of surplus; delivery of deed.

Every such sale shall be reported to and confirmed by said equity Court, and no sale shall be made for an amount less than such aggregate taxes, interest, and costs incurred in the institution of suit, including advertising and sale, unless by express order of the Court. Any surplus remaining from sales made under §§ 47-1312 to 47-1315 shall be paid by the Collector of Taxes into the registry of the Court, to abide its further order for payment to the person or persons entitled thereto; and any such moneys remaining unclaimed for a period of 5 years after confirmation of any such sale shall be paid into the Treasury of the United States and credited to the revenues of the District of Columbia. Upon confirmation of such sale by order of Court and payment of the purchase price, and upon full compliance with all of the terms of sale, the Clerk of the Court shall execute and deliver to the purchaser a deed to the property so sold, which deed shall convey to said purchaser all of the right, title, and estate of all persons whether named in such suit or not.

(Mar. 2, 1936, 49 Stat. 1155, ch. 111, § 4; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1315.

1973 Ed., § 47-1014.

**Editor's notes.** — Office of Collector of Taxes abolished: See Historical and Statutory Notes following § 47-401.



## § 47-1316. Errors in computation not to affect sales.

No sale of any real property for taxes shall be impaired or made void by reason of any error of the proper officers in making a computation of the amount of taxes due, the expenses attendant on the advertisement and sale, or of the purchase money and the interest thereon, notwithstanding the sum erroneously computed may have been paid by the purchaser, his heirs or assigns; but all such sales and the deeds which may be granted on the certificates then issued shall be valid and binding as if no such error had been made.

(R.S., D.C., § 173; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1316. 1973 Ed., § 47-1015.

## § 47-1317. Refunds — Taxes erroneously paid.

The Mayor of the District of Columbia is hereby authorized and instructed to cause all taxes erroneously paid in the District of Columbia to be refunded by the proper accounting and disbursing officers of said District, upon the certificate of the Collector of such erroneous payment, which certificate shall state the nature of the error, the name of the person or persons by whom such excessive payment was made, and such other particulars as may be necessary to satisfy the accounting officers that such claim for reimbursement is just and equitable; and the said accounting and disbursing officers shall pay all moneys so refunded out of, and charge the same to, the fund which was credited with the erroneous payment. "Taxes" as discussed herein do not include the "special franchise tax" as provided for in § 34-912.

(Leg. Assem., Jan. 19, 1872, ch. 31, § 1; June 20, 1874, 18 Stat. 116, ch. 337, § 2; Mar. 14, 1985, D.C. Law 5-153, § 5, 31 DCR 6440; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Cross references.** — Income and franchise taxes, refunds, see § 47-1812.11.

Real property assessments and taxes, reassessment of void assessments, see §§ 47-839 and 47-1206.

Street repairs, sidewalk, curbing, and alley improvements, cancellation and reassessment of assessments, see § 9-421.11.

Superior Court Tax Division, erroneously paid taxes, refunds, see § 47-3306.

Unemployment compensation, employer contribution payments, refunds, see § 51-104.

Void and erroneous assessments, remedies, see § 2-403.

Water supply, water main assessments and water rents, refunds, see §§ 34-2401.09 and 34-2401.10.

**Prior Codifications.** — 1981 Ed., § 47-1317.

1973 Ed., § 47-1016.

**Legislative history of Law 5-153.** — Law 5-153, the "Utility Regulatory Assessment Clarification Act of 1984," was introduced in Council and assigned Bill No. 5-225, which was referred to the Committee on Public Services and Cable Television. The Bill was adopted on first and second readings on October 23, 1984 and November 7, 1984, respectively. Disapproved by the Mayor on November 30, 1984, and reenacted by the Council on December 4, 1984, the Bill was assigned Act No. 5-217 and transmitted to both Houses of Congress for its review.

**Editor's notes.** — Disbursing Office abolished: See Historical and Statutory Notes following § 47-111.

Office of Collector of Taxes abolished: See Historical and Statutory Notes following § 47-401.

CASE NOTES

**In general.**

Trial court erred in directing District of Columbia to refund property tax overpayment within ten days of its order; the requisite finality is defined by statute and is not satisfied by

mere lapse of ten days after entry of trial court's order. D.C. Code §§ 47-1016, 47-2404, 47-2407. District of Columbia v. Burlington Apartment House Co., 375 A.2d 1052, 1977 D.C. App. LEXIS 341 (1977).

**§ 47-1318. Refunds — Money deposited for license.**

Whenever any person shall deposit money with the Collector for the purpose of procuring a license, and said license shall have been subsequently refused by legal authority, it shall be the duty of the Collector to refund the money so deposited, deducting therefrom an amount justly proportionate to the time during which such license shall have been used by the applicant therefor, or his representatives, and charge the amount so refunded to the fund which was credited with the original deposit.

(Leg. Assem., Jan. 19, 1872, ch. 31, § 2; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Cross references.** — Alcoholic beverage control, licenses, return of fees, see § 25-821.

Zoning and height of buildings, building permit fees, refunds, see § 6-661.02.

**Prior Codifications.** — 1981 Ed., § 47-1318.

1973 Ed., § 47-1017.

**Editor's notes.** — Office of Collector of Taxes abolished: See Historical and Statutory Notes following § 47-401.

**§ 47-1319. Disposition of redemption moneys.**

All moneys paid or deposited according to law, for the redemption of property sold for taxes, shall be paid by the accounting and disbursing officers of the District to the person or persons entitled to receive it, on the presentation of the certificate of the Collector.

(Leg. Assem., Jan. 19, 1872, ch. 31, § 4; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1319.

1973 Ed., § 47-1018.

**Editor's notes.** — Disbursing Office abolished: See Historical and Statutory Notes following § 47-111.

Office of Collector of Taxes abolished: See Historical and Statutory Notes following § 47-401.

**§ 47-1320. Delinquent taxpayers — bidding at tax sales prohibited.**

(a) Except as provided in subsection (b) of this section, an owner of real property with delinquent real property taxes shall not bid on, or purchase, any other real property sold at tax sale in accordance with § 47-1303 or § 47-1314.

(b) An owner of real property with delinquent real property taxes that is being sold pursuant to § 47-1303 or § 47-1314 may bid on, or purchase, the



real property if the owner pays all delinquent taxes, applicable penalties, and costs assessed against the real property.

(c) The Mayor is authorized to develop procedures and promulgate rules and regulations as may be necessary to carry out the provisions of this section.

(Oct. 23, 1997, D.C. Law 12-37, § 2, 44 DCR 4850.)

**Prior Codifications.** — 1981 Ed., § 47-1320.

**Legislative history of Law 12-37.** — Law 12-37, the “Real Property Tax Sale Amendment Act of 1997,” was introduced in Council and assigned Bill No. 12-178, which was referred to the Committee on Finance and Revenue. The

Bill was adopted on first and second readings on June 17, 1997, and July 1, 1997, respectively. Signed by the Mayor on July 17, 1997, it was assigned Act No. 12-139 and transmitted to both Houses of Congress for its review. D.C. Law 12-37 became effective on October 23, 1997.

## § 47-1321. Regulations.

The Mayor may promulgate regulations to implement the provisions of this chapter and for the proper administration of all real property tax sales. The Mayor may also amend or repeal existing regulations relating to real property tax sales.

(June 9, 2001, D.C. Law 13-305, § 502(z)(2), 48 DCR 334.)

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 12(bb) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(bb) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 2(y) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2(x)(2) of

Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see § 12(aa) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 12(bb) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(bb) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

## CHAPTER 13A. REVISED REAL PROPERTY TAX SALES.

### *Subchapter I. General Provisions*

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Sec.

- 47-1361. Required payments; notice to purchaser; certificate of redemption.
- 47-1362. Fixing amount necessary for redemption after action to foreclose filed.
- 47-1363. Rights of owners and purchasers during redemption period; appointment of receiver of real property.
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- 47-1365. Tenant or person with less than fee simple interest paying taxes or levies to have credit out of rents.
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- 47-1370. Complaints by purchasers to foreclose the right of redemption; exercise of authority by form of complaint.
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- 47-1376. Validity of taxes and sale presumed unless attacked in answer.
- 47-1377. Purchaser reimbursed by redeeming party for expenses.
- 47-1378. Final order.
- 47-1379. Reopening judgments.
- 47-1380. Judgment setting aside sale.
- 47-1381. Judgment bars redemption only in real property described therein.
- 47-1382. Purchaser's deed; payment; compliance with terms of judgment as to payments.
- 47-1383. Obtaining possession.
- 47-1384. Construction of chapter.
- 47-1385. Transition provisions; applicability of chapter.

### *Subchapter I. General Provisions.*

## § 47-1330. Definitions.

For purposes of this chapter, the term:

(1) "Costs" means amounts paid or payable by the purchaser to the District in connection with the sale of a real property.

(2) "Tax" means unpaid real property tax owing as of October 1, including penalties, interest, and costs. The term shall include an assessment or charge due at any time to the District and certified to the Mayor for collection under this chapter in the same manner as a real property tax, along with permitted penalties, interest, and costs.

(3) "District" means the District of Columbia.



(4) “Expenses” means amounts paid or payable by the purchaser to persons other than the District in connection with the sale of a real property.

(5) “Purchaser” shall include the purchaser at the tax sale, the holder of the certificate of sale, the assignee or transferee of the certificate of sale, the plaintiff, or the District, as the context requires.

(6) “Superior Court” means the Superior Court of the District of Columbia.

(7) “Surplus” means the portion of the bid at the tax sale that exceeds the taxes, penalties, interest, and costs for which the property was sold.

(8) “Taxing agency” means an agency of the District which may levy a tax, assessment, or charge collectible under this chapter. The term “taxing agency” shall include a business improvement district.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

#### CASE NOTES

**In general.**

Principle of caveat emptor is applicable to tax sales. *Aeon Financial, LLC v. J.P.Morgan Chase*

*Bank, N.A., et al.*, 138 WLR 1517 (Super. Ct. 2010).

### § 47-1331. Tax is lien on real property; priority; application of payment; lien for deferred tax.

(a) A tax shall automatically become a lien on the real property on the date the tax was due and unpaid or converted to a real property tax under § 47-1340.

(b) The lien for a tax shall be a prior and preferred claim over all other liens and shall be perpetual.

(c) Unless otherwise provided in this chapter, all payments for taxes collected under this chapter shall be applied to each outstanding lien in order of its priority measured by the date that it became, or was converted to, a lien under subsection (a) of this section. The payment shall be applied to the lien in the following order: costs; penalties; interest; and the original amount of the lien.

(d) A lien transferred to a third party by the District under § 47-1303.04, including an assignee or successor in interest, shall enjoy the same priority and preference as if the lien were still held by the District.

(e) A tax or any other unpaid tax, charge, or indebtedness owing to the District and deferred under subchapter VIII of Chapter 35 of Title 42, is a lien on the real property for which the deferral was granted. Payments shall be applied first to the lien having priority and for which the deferral is not granted; provided, that (1) the taxpayer shall make additional payments under

the deferral agreement entered into with the Mayor, which payments shall be applied first to the deferred lien having priority until all deferred liens are paid, and (2) payment of taxes not deferred in the agreement and assessed for periods after the latest period deferred in the agreement remains current. The taxpayer may designate a payment to the nondeferred tax if the designation and application of payment shall not cause the District to default on another contractual obligation.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334; Oct. 19, 2002, D.C. Law 14-213, § 33(n), 49 DCR 8140.)

**Effect of amendments.** — D.C. Law 14-213, in subsec. (e), validated a previously made technical correction.

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary (90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 14-213.** — For Law 14-213, see notes following § 47-820.

## § 47-1332. Sale by Mayor of all properties.

(a) The Mayor shall sell all real property on which the tax is in arrears unless otherwise provided by law.

(b) The Mayor shall designate a single agency to conduct tax sales in the District.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

### CASE NOTES

#### Authority.

District of Columbia was required to reimburse tax sale purchaser for the purchase price, purchaser's statutory interest, legal expenses and attorney fees, when the District was not authorized to offer owner's property at a tax sale because owner had paid the amount stated in the delinquency notice provided by the Office of Tax and Revenue (OTR), though taxes remained in arrears; by statute Mayor was authorized to step into the shoes of a redeeming party to prevent an injustice to the owner by canceling a sale. Rupsha, 32 A.3d 402 (2007).

Mayor of the District of Columbia was not authorized by the tax sale statutes to offer owner's property at a tax sale, and thus tax sale purchaser was not entitled to reimbursement from owner for the purchase price, statutory interest, legal expenses and attorney fees, where the owner paid the amount stated in the notice of delinquency provided by the Office of Tax and Revenue (OTR), but taxes remained in arrears because of the OTR to provide owner with the correct payoff amount. Rupsha, 32 A.3d 402 (2007).



### § 47-1333. Sale not subject to procurement.

Notwithstanding any other law, sale or assignment under this chapter or in furtherance thereof shall not be subject to subchapter I of Chapter 3 of Title 2.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334; Oct. 19, 2002, D.C. Law 14-213, § 33(o), 49 DCR 8140.)

**Effect of amendments.** — D.C. Law 14-213 validated a previously made technical correction.

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary (90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 14-213.** — For Law 14-213, see notes following § 47-820.

### § 47-1334. Interest rate.

The rate of interest on all amounts due, owing, or paid for purposes of redemption under this chapter (whether relating to real property sold or bid off to the District) shall be 1.5% per month or portion thereof. No interest shall accrue for surplus, expenses, or the reasonable value of improvements.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334; Apr. 4, 2003, D.C. Law 14-282, § 11(z), 50 DCR 896.)

**Effect of amendments.** — D.C. Law 14-282 substituted “1.5% per month or portion thereof” for “18% per month”.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 12(dd) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(dd) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary (90 day) addition of section, see § 7 of Real

Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see § 12(cc) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 12(dd) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(dd) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-902.

### § 47-1335. Issuance of regulations to carry out chapter.

The Mayor may promulgate regulations to carry out the purposes of this chapter.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334.)

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 12(ee) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(ee) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary (90 day) addition of section, see § 7 of Real

Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see § 12(dd) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 12(ee) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(ee) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

## *Subchapter II. Sale.*

### **§ 47-1340. Notice to agencies; certification of taxes due agencies; General Fund; disbursement.**

(a) At least 60 days before the mailing of the notices required by § 47-1341, the Mayor shall notify all taxing agencies (other than the agency to whom the Mayor has delegated his authority under § 47-1332) of the Mayor's intention to hold a tax sale and shall state the time and place of the sale. Each of the taxing agencies shall, within 30 days after receiving the notice, submit a statement to the Mayor certifying all taxes appearing on its records then due to the District as of the date of the Mayor's notice that have not been previously certified to the Mayor. The statement shall be in the form and medium, and shall contain the information, that the Mayor requires. In addition to the real property taxes due, the Mayor shall include in the notice of delinquency required by § 47-1341 and in the public notice required by § 47-1342 the taxes certified to him by the taxing agencies.

(b) When a taxing agency certifies a tax to the Mayor under subsection (a) of this section for which tax a lien was filed with the Recorder of Deeds, the taxing agency shall file with the Recorder of Deeds a Notice of Converted Real Property Tax releasing the prior lien as of the date of certification. The notice shall state the name of the owner, describe the real property by taxation square, suffix, and lot number, or parcel and lot number, and specify the amount of the lien.

(c) If a taxing agency does not certify a tax which is due to the District as of the date of the Mayor's notice under subsection (a) of this section, the tax shall not be collected through a tax sale under this chapter unless the taxing agency files a lien with the Recorder of Deeds within the time required for certification. If such lien is filed, the taxing agency may later certify such lien for collection in accordance with subsection (a) of this section.

(d) The Mayor shall not sell a real property for which taxes have not been certified by a taxing agency. Unpaid real property taxes shall not be required to be certified.



(e) Notwithstanding any other provision of law, payments received for taxes that have been certified to the Mayor shall be credited to the General Fund of the District in the same manner as real property tax payments are credited.

(f) If (1) a taxing agency certifies taxes (for which real property is offered for sale) to the Mayor under subsection (a) of this section, and (2) the real property sold for such taxes has been redeemed or a deed therefor issued to the purchaser, the taxing agency may submit an accounting to the designated agency under § 47-1332(b) in the form that the Mayor requires. Upon receipt of the accounting and verification of the redemption or delivery of the deed, the amount of the certified taxes collected, to the extent that it is available after application of all amounts collected according to the priority of the taxes before certification, shall be disbursed from the General Fund for the purpose designated by, and in accordance with, the law creating the obligation for the certified tax.

(g) Any omission by the Mayor or any taxing agency under this section shall not adversely affect a sale or a purchaser's interest. This section shall be construed pursuant to §§ 47-1341(b) and 47-1342(b)(2).

(h) When a tax is certified by a taxing agency to the agency designated under § 47-1332(b), the designated agency may charge an amount not to exceed 10% of the redemptive value of the tax, to be retained by the designated agency as compensation for the use of its resources. Charges collected under this subsection shall be deposited into the Recorder of Deeds Automation and Infrastructure Improvement Fund under § 42-1214.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334; Apr. 4, 2003, D.C. Law 14-282, § 11(aa), 50 DCR 896.)

**Effect of amendments.** — D.C. Law 14-282 added subsec. (h).

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 12(ff) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(ff) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary (90 day) addition of section, see § 7 of Real

Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see § 12(ee) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 12(ff) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(ff) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-902.

## § 47-1341. Notice of delinquency.

(a) At least 30 days before real property is first advertised for a tax sale under this chapter, the Mayor shall mail to the person who last appears as owner of the real property on the tax roll, at the last address shown on the tax

roll, as updated by the filing of a change of address at the Recorder of Deeds, a notice of delinquency stating the name of the person who last appeared as owner on the tax roll, identifying by taxation square, suffix, and lot number, or parcel and lot number, the real property to be sold, and the amount of taxes due (whether included in the actual notice or by attached tax bill). The notice of delinquency may also include the following:

".....) 27

"Date

"This Is a Notice of Delinquency and Final Bill to the Person Whose Name Appears on This Notice.

"According to the Mayor's tax roll, you are the owner of the real property appearing on this notice of delinquency. Some of the taxes listed are in arrears and this list may not include all taxes in arrears. Notice is given to you that unless all taxes in arrears and appearing on this Notice are paid within 30 days from the date of this notice, the Mayor will proceed to sell the above real property. Interest, penalties, and costs not included in this notice of delinquency must be added to the total at the time of payment. A final payoff amount must be obtained at.....You must make payment by cash, certified check, cashier's check or money order at.....You must act now to avoid additional costs and significant expenses, including a reasonable attorney's fee."

(b) Failure of the Mayor to mail the notice of delinquency as provided in subsection (a) of this section, or to include any taxes in the notice of delinquency, shall not:

(1) Invalidate or otherwise affect a tax;

(2) Invalidate or otherwise affect a sale made under this chapter to enforce payment of taxes;

(3) Prevent or stay any proceedings under this chapter; or

(4) Affect the title of a purchaser.

(c) Payment of the total amount stated in the notice of delinquency and as directed in the notice shall preclude the real property from being offered at the tax sale to which the notice corresponds.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334; Apr. 4, 2003, D.C. Law 14-282, § 11(bb), 50 DCR 896; Mar. 2, 2007, D.C. Law 16-192, § 1112, 53 DCR 6899.)

**Effect of amendments.** — D.C. Law 14-282, in subsec. (a), substituted "amount of taxes due (whether included in the actual notice or by attached tax bill)" for "amount of taxes due".

D.C. Law 16-192, in subsec. (a), substituted "The notice of delinquency may also include the following" for "The notice of delinquency shall also include the following".

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 12(gg) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(gg) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary (90 day) addition of section, see § 7 of Real



Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see § 12(ff) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 12(gg) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(gg) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

For temporary (90 day) amendment of section, see § 1112 of Fiscal Year 2007 Budget Support Emergency Act of 2006 (D.C. Act 16-477, August 8, 2006, 53 DCR 7068).

For temporary (90 day) amendment of section, see § 1112 of Fiscal Year 2007 Budget Support Congressional Review Emergency Act of 2006 (D.C. Act 16-499, October 23, 2006, 53 DCR 8845).

For temporary (90 day) amendment of section, see § 1112 of Fiscal Year 2007 Budget Support Congressional Review Emergency Act of 2007 (D.C. Act 17-1, January 16, 2007, 54 DCR 1165).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-902.

**Legislative history of Law 16-192.** — For Law 16-192, see notes following § 47-340.23.

**Short title.** — Short title: Section 1111 of D.C. Law 16-192 provided that subtitle J of title I of the act may be cited as the “Real Property Tax Sale Notice Act of 2006”.

## CASE NOTES

### ANALYSIS

#### Authority.

Cancellation of sale.

#### Authority.

District of Columbia was required to reimburse tax sale purchaser for the purchase price, purchaser's statutory interest, legal expenses and attorney fees, when the District was not authorized to offer owner's property at a tax sale because owner had paid the amount stated in the delinquency notice provided by the Office of Tax and Revenue (OTR), though taxes remained in arrears; by statute Mayor was authorized to step into the shoes of a redeeming party to prevent an injustice to the owner by canceling a sale. *Rupsha*, 32 A.3d 402 (2007).

Mayor of the District of Columbia was not authorized by the tax sale statutes to offer owner's property at a tax sale, and thus tax sale purchaser was not entitled to reimbursement

from owner for the purchase price, statutory interest, legal expenses and attorney fees, where the owner paid the amount stated in the notice of delinquency provided by the Office of Tax and Revenue (OTR), but taxes remained in arrears because of the OTR to provide owner with the correct payoff amount. *Rupsha*, 32 A.3d 402 (2007).

#### Cancellation of sale.

District of Columbia was required to cancel the tax sale of owner's property, when the Mayor of the District did not have authority to offer owner's property at the tax sale because the owner had paid the amount stated in the notice of delinquency provided by the Office of Tax and Revenue (OTR), and the purchaser had not engaged in wrongdoing; though under statute and regulation the District had the authority to cancel, not canceling the sale in the applicable circumstances would have been an abuse of discretion. *Rupsha*, 32 A.3d 402 (2007).

## § 47-1342. Public notice; costs.

(a) At any time after 30 days from the mailing of the notice of delinquency, the Mayor shall cause to be advertised, at least once in not less than 2 newspapers of general circulation within the District which are published at least once every 2 weeks, a public notice stating that listed real property will be sold at public auction because of taxes on the date and at the place named in the public notice.

(b)(1) The list in the public notice shall contain, with substantial accuracy, at least the following:

(A) A description of the real property, by taxation square, suffix, and lot number, or parcel and lot number;

(B) The name of the person who last appears on the Mayor's tax roll as the owner of the real property; and

(C) The amount of all taxes for which the real property shall be sold at the scheduled sale; provided, that costs need not be included in the public notice, but, if not included, costs shall be included in the opening bid amount at the time of the sale.

(2) Failure of the Mayor to include a tax in the published notice of sale shall not:

(A) Affect the validity or collectibility of the taxes or the validity of a sale to enforce the payment of taxes;

(B) Prevent or stay proceedings under this chapter; or

(C) Affect the title of a purchaser.

(c)(1) The following fees, in an amount prescribed by regulation, shall be costs payable by the purchaser (and paid into the General Fund of the District) and shall be included in the certificate of sale as provided in § 47-1348:

(A) A fee for the mailing of a notice;

(B) A fee for publication of notices when a real property is offered for sale, including newspaper advertisements;

(C) An auctioneer's fee when a real property is offered for sale at public auction, whether or not the auctioneer is a District employee; and

(D) A fee assessed against each real property to reimburse the District for legal representation, whether or not the provider of the service is a District employee.

(2) A redeeming party shall pay the costs to redeem real property bid off to the District, and such costs shall be deemed included in the amount for which the real property was bid off regardless of whether a certificate of sale was issued.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

## § 47-1342.01. Bid off property.

Whenever payment by check or other instrument on behalf of a real property is received prior to the tax sale, and the payment is refused by the drawee or the funds are not collected by the District, and, due to the tender of payment, the real property is not presented at the tax sale, the real property shall be deemed bid off to the District under § 47-1352 and may be subsequently sold under § 47-1353.

(Apr. 4, 2003, D.C. Law 14-282, § 11(cc), 50 DCR 896.)



**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 12(hh) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) addition of section, see § 12(hh) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Emergency legislation.** — For temporary (90 day) addition of this section, see § 12(gg) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) addition of this section, see § 12(hh) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) addition of this section, see § 12(hh) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-902.

### § 47-1343. Real property to be sold as entirety.

Each parcel of real property for sale shall be sold in its entirety, which shall be the parcel of real property as assessed in the assessment records.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

### § 47-1344. Personal property of owner not affecting sale.

The power to sell real property for taxes shall not be affected by personal property of the owner on the real property to be sold.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

### § 47-1345. Sale of real property subject to possessory interests.

(a) Whether or not any real property subject to sale under this chapter is subject to an estate for life, or a lease or ground rent for a term (with renewals) that is at least 30 years, the Mayor shall sell the entire fee simple estate; provided, that after the judgment of foreclosure of the right of redemption, no claim for rent unpaid, due, or accruing before the date of the judgment of foreclosure of the right of redemption shall be made by the purchaser (or his assignee).

(b) The termination of claims on real property sold under subsection (a) of

this section shall not foreclose a personal claim against previous holders of the interest sold for rent unpaid, due, or accruing before the date of the judgment of foreclosure of the right of redemption.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

## § 47-1346. Sale at public auction.

(a)(1)(A) The sale shall be held by the Mayor on the date and at the place stated in the public notice.

(B) If the sale cannot be completed on the date stated in the notice, the Mayor shall continue the sale, as determined by the Mayor and announced to the potential purchasers at the sale, until all real property included in the public notice is sold.

(2) All sales shall be at public auction to the purchaser who makes the highest bid.

(3)(A) The Mayor shall retain any common law or other authority normally granted to an auctioneer conducting a public auction and may refuse to accept bids that are not made in good faith.

(B) The Mayor may delegate this authority to an auctioneer.

(4) The conduct of the sale shall be according to terms set by the Mayor, and published with a reasonable degree of specificity in the public notice, to ensure the orderly functioning of the public auction and the integrity of the tax sale process, including requirements that potential purchasers:

(A) Establish their eligibility for bidding by presenting evidence of the legal existence of the bidding entities that are satisfactory to the Mayor;

(B) Limit their representation at a sale to no more than a single agent for each bidding entity;

(C) Refrain from an act, agreement, consent, or conspiracy to suppress, pre-determine, rig, or fix the bidding at the sale; and

(D) Provide such other information as the Mayor may require.

(5) A potential purchaser, including a natural person or business entity, who is delinquent in payment of taxes to the District, may not bid on real property offered at a sale held under this chapter or otherwise acquire an interest in real property sold under this chapter. For purposes of this paragraph, a potential purchaser shall include a person owning a 10% or more equity interest in, or an officer of, an entity that owns a 10% or more equity interest in real property on which taxes are delinquent. The certificate of sale held by the purchaser in violation of this paragraph shall be void and monies paid for the real property as described in the certificate of sale shall be forfeited to the District. This paragraph shall not be circumvented by a purchaser through the use of one or more business entities to avoid its intended application.



(b) Before making any bid, a potential purchaser shall have on deposit 20% of the purchase price. The deposit shall guarantee full and final settlement for the purchase. If the required deposit is not sufficient, the real property shall be immediately re-auctioned.

(c) Unless otherwise provided in this chapter, a real property shall not be sold for less than the amount of the taxes.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334; Apr. 4, 2003, D.C. Law 14-282, § 11(dd), 50 DCR 896.)

**Effect of amendments.** — D.C. Law 14-282, in subsec. (b), substituted “have on deposit” for “deposit the greater of \$100 or”.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 12(ii) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(ii) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary (90 day) addition of section, see § 7 of Real

Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see § 12(hh) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 12(ii) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(ii) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-902.

## § 47-1347. Payment of purchase price at tax sale.

The payment of the purchase price shall be on the terms established by the Mayor. A purchaser shall pay the full amount of his bid, including surplus and costs, within 5 business days after the last day of the sale. If the payment is not received within the time prescribed, 20% of the deposit of the defaulting purchaser shall be forfeited to the District, and the real property shall be deemed to have been bid off to and purchased by the Mayor in the name of the District.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334; Apr. 4, 2003, D.C. Law 14-282, § 11(ee), 50 DCR 896.)

**Effect of amendments.** — D.C. Law 14-282 substituted “20% of the deposit” for “the deposit”.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see 12(jj) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see 12(jj) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law

14-228, March 23, 2003, law notification 50 DCR 2741).

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary (90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Admin-

istration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see § 12(ii) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 12(jj) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(jj) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-902.

## § 47-1348. Certificate of sale — in general.

(a) The Mayor shall deliver to the purchaser a certificate of sale under the Mayor's hand and seal or authorized facsimile signature (or a delegate's hand and seal). The certificate shall set forth:

- (1) The date of the certificate;
- (2) That the real property described in it was sold by the Mayor to the purchaser;
- (3) The date of the original public tax sale to which the certificate corresponds;
- (4) The date of the sale to the purchaser;
- (5) The amount of taxes for which the real property was offered for sale at the original tax sale;
- (6) The total amount of taxes owing at the time of sale to the purchaser;
- (7) The purchase price;
- (8) The amount of surplus;
- (9) A description of the real property in substantially the same form as the description appearing on the Mayor's tax roll;
- (10) A statement that the rate of interest, upon redemption, shall be 18% per year calculated on the amount paid on account of the purchase price, except surplus;
- (11) The date when an action to foreclose the right of redemption may be filed; and
- (12) That the certificate shall be void unless diligent proceedings to foreclose the right of redemption are brought within one year from the date of the certificate, and that if the certificate shall become void, all monies paid for the real property by the purchaser shall be forfeited to the District.

(b) The rate of interest on the purchase price, except surplus, shall be 18% per year from the date the real property was sold or bid off. The interest shall continue to accrue until the real property is redeemed or the taxes and accrued interest are otherwise paid.

(c) The certificate of sale shall be similar to the following form:

"I, ....., acting under authority of the Mayor of the District of Columbia, certify that on ....., 20 ..., the real property described as square ....., suffix ....., lot .... and assessed to ....., was offered at public tax sale for the sum of ..... Dollars and ..... Cents, for the periods and amounts of taxes and costs, to wit:

"I further certify that on ....., 20 ..., with the amounts specified above totaling ....., I sold to ..... the said real property for the sum of ..... Dollars and ..... Cents, plus surplus in the amount of ..... Dollars and ..... Cents. The real property described in this certificate is subject to redemption.



"On redemption, the purchaser will be refunded the sums paid on account of the purchase price, together with interest thereon at the rate of 18% per annum from the date the real property was sold to the date of redemption; provided, that the purchaser shall not receive interest on any surplus. On redemption, the purchaser shall also receive expenses permitted by Chapter 13A of Title 47 of the D.C. Code that may have been collected by the Mayor. Before a deed can be delivered to the purchaser, all taxes as defined in Chapter 13A with interest thereon, and including taxes with interest thereon for years for which the District or a third party purchased the real property at any tax sale and expenses reimbursable under Chapter 13A, shall be paid to the D.C. Treasurer except as provided in D.C. Code § 47-1361(b).

"After ....., 20 ..., an action can be brought to foreclose the right of redemption in the real property. This certificate will be void unless such an action is brought and diligently pursued within one year from the date of this certificate. If this certificate becomes void as provided in D.C. Code § 47-1355, all monies paid for the real property will be forfeited to the District. An assignee of this certificate shall notify the Mayor within 30 days of the assignment and provide the Mayor with the assignee's name, address, and telephone number.

"Witness my hand and seal, this .... day of ....., 20 ...

" .....

"For the Mayor"

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334; Apr. 4, 2003, D.C. Law 14-282, § 11(ff), 50 DCR 896.)

**Effect of amendments.** — D.C. Law 14-282, in subsec. (c), substituted "similar to" for "in substantially", and deleted "(To be followed by acknowledgment)" from the end of the form.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 12(kk) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(kk) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see § 12(jj) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 12(kk) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(kk) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-902.

## CASE NOTES

### Limitations period.

Certificates of sale issued to purchasers of property at tax sale were insufficient to trigger one-year limitations period within which pur-

chasers were required to commence diligent action to foreclose or forfeit their entire investment, as certificates were undated, but tax sale statute explicitly required certificates to have a

date, and statute expressly distinguished that date from date on which sale was conducted and date of purchase. *Tangoren v. Stephenson*,

977 A.2d 357, 2009 D.C. App. LEXIS 338 (2009).

## § 47-1349. Same — assignment.

(a) A certificate of sale executed and delivered by the Mayor to the purchaser is assignable and an assignment of the certificate of sale vests in the assignee, or the legal representative of the assignee, all the right, title, and interest of the original purchaser.

(b) The assignment of the certificate of sale may be made in accordance with § 45-714(b) [§ 42-814] relating to the substitution of trustees.

(c) Within 30 days of the assignment, the assignee shall notify the Mayor in the manner that the Mayor shall prescribe and provide the Mayor with the assignee's name, address, telephone number, taxpayer identification number, and such other information which the Mayor may require.

(d) The assignee shall notify the Mayor of an assignment of the interest in the payment of other taxes and liabilities described in § 47-1354.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

## § 47-1350. Same — recording.

The purchaser may record the certificate of sale and the assignee may record the assignment of the certificate of sale in the Recorder of Deeds.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

## § 47-1351. Same — as evidence.

The certificate of sale or assignment of the certificate of sale is presumptive evidence in all judicial proceedings by and against the purchaser, and the purchaser's representatives, heirs and assigns, of the:

(1) Truth of the statements in the certificate of sale or assignment of the certificate of sale;

(2) Interest of the purchaser in the real property described;

(3) Regularity and validity of all proceedings regarding the taxes for which the real property was sold; and



## (4) Sale of the real property.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

## § 47-1352. Purchase by District — in general.

(a) If the highest bid at a public auction is not sufficient to pay the taxes or if a certificate of sale shall become void, the real property shall be bid off to and purchased by the Mayor in the name of the District. Real property bid off to the District shall not be exempt from assessment and taxation, but shall be assessed and taxed as other real property. If real property is bid off to the District (including by a void certificate of sale under § 47-1355), the taxes, and interest from the date the real property was bid off, shall remain a lien on the real property.

(b) A certificate of sale in substantially the same form as provided in this chapter may be issued at any time by the Mayor in the name of the District for real property bid off in the name of the District, and, for purposes of the interest computation, the certificate of sale shall relate back to the date the real property was bid off; provided, that notwithstanding any other law, if the certificate of sale is not sold, assigned, or otherwise transferred by the District, the certificate shall be perpetual and the Mayor shall not be required to foreclose on the right of redemption. The Mayor shall have the same rights and remedies with regard to the real property as other purchasers, including the right to foreclose the right of redemption and to be reimbursed for expenses.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

## § 47-1353. Same — right to sell or foreclose upon real property.

(a) If a real property has been bid off in the name of the District, the Mayor may:

## (1) Sell the real property and:

(A) If a certificate of sale has been issued for the real property, assign to the purchaser the certificate of sale upon payment of the amount for which the real property was bid off, plus interest thereon to the date of the assignment; provided, that (i) the one-year period under § 47-1355 shall commence from

the date of assignment; and (ii) the purchaser under this paragraph shall be deemed to have provided to the Mayor the purchaser's name, address, and telephone number within the time prescribed; or

(B) If a certificate of sale has not been issued for the real property, issue to a purchaser (who has given to the Mayor such information as the Mayor may require) a certificate of sale as provided in § 47-1348 upon payment of the amount for which the real property was bid off, plus interest thereon to the date of issuance;

(2) Foreclose the right of redemption in the same manner as a purchaser; or

(3)(A) Transfer the entire or partial interest of the District for any amount of consideration (whether bid off or not) and issue to the purchaser a certificate of sale (or cancel a pre-existing certificate of sale issued to the District and reissue a combined certificate of sale to the purchaser); provided, that:

(i) The real property shall have been bid off under this chapter at least once for a period of taxes so transferred;

(ii) The purchaser shall be the District, an instrumentality of the District (or a subsidiary thereof), or a corporation not organized for profit and exempt from income taxation under section 501(c)(3) of the Internal Revenue Code of 1986, approved October 26, 1986 (68A Stat. 163; 26 U.S.C. § 501(c)(3)); and

(iii) The purchaser shall rehabilitate an existing improvement on the real property, construct a new improvement on the real property, or otherwise dispose of the real property for the purposes of improving a neighborhood generally or in the best interests of the District.

(B) The Mayor may accept as payment a promissory note in the amount of the taxes owed and accrued under this chapter or other, which note shall be paid on resale of the real property; provided, that if the real property shall be sold for less than its fair market value, the consent of the Mayor for the discounted sale shall have been obtained.

(C) Notwithstanding § 47-1331, the Mayor may subordinate and determine the priority of the taxes to be paid under the promissory note to permit the rehabilitation, new construction, or disposition, and the promissory note shall be paid upon resale to the extent of the proceeds available.

(D) Notwithstanding subsection (d) of this section, if a redemption occurs, the promissory note shall be satisfied prior to the disbursement of an amount to the purchaser; provided, that the promissory note may subordinate the taxes to any costs and expenses incurred by the purchaser.

(E) The provisions of Chapter 8 of Title 10 shall not apply to real property acquired by the District or an instrumentality of the District (or a subsidiary thereof) under this paragraph. Real property acquired by the District or an instrumentality of the District (or a subsidiary thereof) under this paragraph may be sold only by the Mayor, or with the Mayor's consent. The approval of the Council shall not be required for the sale of the real property.

(b)(1) Notwithstanding the minimum sale amount in subsection (a)(1) of this section, the Mayor may sell real property bid off in the name of the District



for an amount less than required from the owner to redeem the real property and, if a certificate of sale has not been issued for the real property, issue to the purchaser thereof a certificate of sale, or, if a certificate of sale has been issued for the real property, assign the certificate of sale of the real property; provided, that:

(A) A public notice, to solicit potential purchasers, is published in 2 daily newspapers of general circulation within the District at least 30 days before offers or bids shall begin to be received;

(B) The public notice states how, where, and when offers or bids shall begin to be received and the closing date for offers or bids;

(C) The public notice states that the real property shall be sold or assigned to the person with the highest offer or bid;

(D) The public notice states that the successful purchaser shall pay the full amount of the bid before the sale or assignment shall be concluded;

(E) The public notice states that the results concerning all sales or assignments shall be published on the Internet in the form prescribed by paragraph (2) of this subsection;

(F) The public notice contains a list of the real properties to be so sold or assigned or the public notice states where the list may be obtained;

(G) The list contains a description of each real property, by square, suffix, and lot number or parcel and lot number, as the real property appears on the tax roll; and

(H) The list states the periods and amounts of taxes for which the real property may be sold or the certificate of sale assigned.

(2) As soon as practical after the sale or assignment, the Mayor shall:

(A) Publish on the Internet a public notice concerning the results of the sale or assignment; and

(B) A list shall be attached to the public notice, which list shall state at least the following:

(i) The name of the purchaser of each real property sold or assigned, along with the corresponding square, suffix, and lot number or parcel and lot number;

(ii) The total amount of taxes for which the real property was sold or assigned; and

(iii) The amount paid for each real property by the purchaser.

(c)(1) When a certificate of sale is issued for real property sold or a certificate of sale is assigned under this section, the 6-month waiting period described in § 47-1370 shall be reduced by the number of days that shall have passed since the original public tax sale to which the certificate of sale corresponds.

(2) The Mayor may file a complaint to foreclose the right of redemption upon the expiration of the 6-month waiting period that shall commence from the date of the original tax sale at which the real property was bid off to the District.

(d) Upon redemption, a purchaser under this section shall be entitled to the amount for which the real property was sold or the certificate of sale assigned by the Mayor to the purchaser, with interest thereon at the rate set forth in § 47-1334 and § 47-1348 from the date the real property was so sold or the

certificate of sale assigned to the date of redemption, and any other amounts permitted to the purchaser under this chapter; provided, that the purchaser shall not receive interest on any surplus.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334; Apr. 4, 2003, D.C. Law 14-282, § 11(gg), 50 DCR 896.)

**Effect of amendments.** — D.C. Law 14-282 made nonsubstantive changes in subsecs. (a)(1)(B) and (a)(2); added subsec. (a)(3); and in subsec. (b), substituted “subsection (a)(1) of this section” for “subsection (a) of this section or § 47-414”.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 12(ll) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(ll) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary (90 day) addition of section, see § 7 of Real

Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see § 12(kk) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 12(ll) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(ll) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-902.

**Delegation of Authority.** — Delegation of Authority to the Director of the Department of Housing and Community Development, see Mayor’s Order 2007-209, September 27, 2007 (55 DCR 133).

## § 47-1354. Payment of other taxes and liabilities by purchaser; assignment.

(a) After the 6-month waiting period set forth in § 47-1370, as may be reduced under § 47-1353, has expired, the purchaser may pay other taxes, interest, and penalties owing on the real property for any period for which the real property has not been validly sold.

(b) The purchaser shall receive a refund of the payment upon redemption, with interest as required to be paid by the redeemer, only if the purchaser’s certificate of sale is not void and if the purchaser provides proof satisfactory to the Mayor that the purchaser made the payment.

(c) If the certificate becomes void, a payment credited to the account of the real property under this section shall be nonrefundable.

(d) The Mayor shall prescribe, by regulation, the procedures for making a payment under this section. Notwithstanding any other law, the Mayor may require payment to be made directly to the Office of Tax and Revenue or any other entity, and payment may be held in escrow or applied as designated.

(e) The purchaser shall immediately notify the Mayor, in the manner that the Mayor shall prescribe, of a payment made under this section. If the purchaser fails to notify the Mayor, the Mayor shall not be liable to the purchaser for the amount of the payment.

(f) If the purchaser assigns a certificate of sale in accordance with § 47-



1349, the purchaser shall also assign to the assignee the purchaser's interest in the payment made under this section. The purchaser shall immediately notify the Mayor of the assignments in the manner that the Mayor may prescribe. Failure of the purchaser to assign the interest at the time the certificate of sale is assigned, or to immediately notify the Mayor of the assignment of the interest, shall invalidate the assignment of the certificate of sale and the assignment of the interest.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334; Apr. 4, 2003, D.C. Law 14-282, § 11(hh), 50 DCR 896.)

**Effect of amendments.** — D.C. Law 14-282, in subsec. (a), substituted “pay other taxes” for “pay the taxes” and substituted “validly sold” for “sold or bid off”.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 12(mm) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(mm) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see § 12(ll) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 12(mm) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(mm) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-902.

## § 47-1355. Void certificate of sale.

(a) Except as otherwise provided, a certificate of sale shall be void if:

(1) An action to foreclose the right of redemption is not brought within one year from the date of the certificate of sale;

(2) The purchaser owes taxes to the District as described in § 47-1346(a)(5);

(3) An action to foreclose the right of redemption is dismissed for a lack of prosecution;

(4) The purchaser fails to comply with § 47-1382; or

(5) A sale is set aside because of fraud on the part of the purchaser.

(b) If a certificate shall become void:

(1) The right, title, and interest of the purchaser in the real property shall cease;

(2) All monies paid for the real property by the purchaser shall be forfeited to the District and deposited by the Mayor in the General Fund of the District; and

(3) The real property shall be deemed to have been bid off in the name of the District for the taxes for which the real property was sold or bid off at the original public tax sale to which the certificate corresponds, and interest

thereon shall accrue from the date that the property was sold or bid off, as if the sale or assignment to the purchaser had not occurred.

(c) Subsection (b) of this section shall not apply if a judgment or sale is set aside in the absence of fraud on the part of the purchaser and the certificate of sale is not void under subsection (a) of this section.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

## CASE NOTES

### Limitations period.

Certificates of sale issued to purchasers of property at tax sale were insufficient to trigger one-year limitations period within which purchasers were required to commence diligent action to foreclose or forfeit their entire investment, as certificates were undated, but tax sale

statute explicitly required certificates to have a date, and statute expressly distinguished that date from date on which sale was conducted and date of purchase. *Tangoren v. Stephenson*, 977 A.2d 357, 2009 D.C. App. LEXIS 338 (2009).

## *Subchapter III. Redemption.*

### § 47-1360. Right of redemption.

Unless otherwise provided in this chapter, an owner or other person who has an interest in the real property sold by the Mayor may redeem the real property at any time until the foreclosure of the right of redemption is final.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

### § 47-1361. Required payments; notice to purchaser; certificate of redemption.

(a) To redeem the real property, the person redeeming shall pay to the Mayor, for deposit into the General Fund of the District (notwithstanding any other law), the following:

(1) If the real property was sold at tax sale to a purchaser, the amount paid by the purchaser for the real property exclusive of surplus, with interest thereon;



(2) If the real property was bid off to the District, the taxes with interest thereon from the date the real property was bid off;

(3) If the real property was bid off to the District and subsequently sold or the certificate of sale assigned to a purchaser:

(A) The taxes with interest thereon from the date the real property was bid off; plus

(B) Interest on the total amount in subparagraph (A) of this paragraph from the date the real property was subsequently sold or the certificate of sale assigned;

(4) All other taxes, interest, and penalties paid by a purchaser on behalf of the real property, with the interest that would have been owing if the purchaser had not paid the taxes provided, that the certificate of sale of the purchaser is not void;

(5) All other taxes to bring the real property current;

(6) Unless the person redeeming furnishes the Mayor a release or acknowledgment executed by the purchaser that all expenses under § 47-1377 have been paid to the purchaser, all expenses for which the purchaser is entitled to reimbursement under § 47-1377;

(7) All expenses owing to any other purchaser; and

(8) If judgment of foreclosure of the right of redemption of the sale is set aside, the reasonable value, at the date of the judgment, of all reasonable improvements made on the real property by the purchaser and the purchaser's successors in interest, subject to § 47-1363.

(b) Notwithstanding subsection (a) of this section, payment of all real property tax liens and permitted accruals assigned or sold and transferred to third parties under § 47-1303.04 shall be required before a person may redeem under this chapter.

(c) The provisions of subsection (a) of this section may apply more than once if the real property has been sold or bid off more than once. In such case, the person redeeming shall pay all required amounts to satisfy the purchasers and the District.

(d) After receipt of the payment set forth in this section, the Mayor shall notify the purchaser that the real property has been redeemed. The purchaser shall surrender the certificate of sale and shall receive from the Mayor the amount to which the purchaser is entitled. For the purposes of this section, the Mayor may conclusively presume that the original purchaser at the tax sale is the holder of the certificate of sale, unless the Mayor receives a written notice of an assignment of the certificate of sale in accordance with this chapter.

(e) Upon request and subject to the payment of a fee, the Mayor shall execute and deliver to the person redeeming the real property a certificate of redemption, which may be recorded in the Recorder of Deeds and, when recorded, shall release any encumbrance created by the recording of the certificate of sale.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334; Oct. 26, 2001, D.C. Law 14-42, § 10(g), 48 DCR 7612; Apr. 4, 2003, D.C. Law 14-282, § 11(ii), 50 DCR 896.)

**Effect of amendments.** — D.C. Law 14-42, in subsec. (a)(1), made a nonsubstantive change.

D.C. Law 14-282 made nonsubstantive changes in subsec. (a)(1).

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 12(nn) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(nn) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary (90 day) addition of section, see § 7 of Real

Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see § 10(g) of Technical Amendments Emergency Act of 2001 (D.C. Act 14-108, August

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 14-42.** — Law 14-42, the “Technical Correction Amendment Act of 2001”, was introduced in Council and assigned Bill No. 14-216, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on June 5, 2001, and June 26, 2001, respectively. Signed by the Mayor on July 24, 2001, it was assigned Act No. 14-107 and transmitted to both Houses of Congress for its review. D.C. Law 14-42 became effective on October 26, 2001.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-902.

## § 47-1362. Fixing amount necessary for redemption after action to foreclose filed.

(a) If the real property is redeemed after an action to foreclose the right of redemption is filed and there is a dispute regarding redemption, the person redeeming may apply to the Superior Court for an order fixing the amount necessary for redemption in accordance with the provisions of this chapter.

(b) Except as provided in subsection (c) of this section, the Mayor may accept a payment for redemption without an order of court.

(c) If there is a dispute regarding redemption, the Mayor shall not accept a payment for redemption unless a certified copy of the order of court fixing the amount necessary for redemption is filed with the Mayor.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

## § 47-1363. Rights of owners and purchasers during redemption period; appointment of receiver of real property.

(a) The owner of a real property sold under this chapter shall have the right, during the period of redemption, to continue in possession of, and to exercise all rights of ownership over, the real property until the right of redemption has been finally foreclosed under the provisions of subchapter IV of this chapter; provided, that a purchaser may apply to the Superior Court for the appoint-



ment of a receiver of the real property covered by the certificate of sale or assignment of the certificate of sale in accordance with the provisions of laws and of rules and practice of the Superior Court that relate to receivers. If a certificate of sale is held by the District or instrumentality thereof, the Mayor or instrumentality of the District may make application by complaint to the Superior Court for the appointment of a receiver of the real property covered by the certificate of sale. The defendant, in an action brought by the Mayor or instrumentality of the District for the appointment of a receiver, shall be the owner of the real property whose name last appears as the owner on the Mayor's tax roll. Notwithstanding the foregoing, if the real property is vacant or abandoned, a certificate of sale has at any time been issued in the name of the District or instrumentality thereof, and the certificate of sale is presently held by the District or instrumentality thereof, the Mayor or instrumentality of the District shall have the right of immediate possession of the real property from the date of the sale without the necessity of receivership proceedings; provided, that the Mayor or instrumentality of the District shall make an accounting of all rents collected to the owner on redemption of the real property, and on redemption, shall remit the rents, less all remuneration for the maintenance and upkeep of the real property. The Mayor or an instrumentality of the District shall not be subject to the expiration of a waiting period or other period before making improvements to the real property. To redeem the vacant or abandoned real property, the person redeeming shall pay the District or instrumentality thereof for the reasonable value of all improvements made by the District or instrumentality thereof to the real property.

(b) Notwithstanding subsection (a) of this section, the purchaser of a real property at a tax sale shall not have:

(1) Any rights at law or in equity if the Mayor or instrumentality of the District razes improvements, abates nuisances or environmental infractions, or corrects unsafe conditions, and imposes a fine therefor which may be a lien upon the real property, until the right of redemption has been finally foreclosed under the provisions of subchapter IV of this chapter; or

(2) Standing to enjoin, or recourse against the District or instrumentality thereof for, the imposition of fines due to noncompliance of the real property or owner thereof with any law of the District or the United States of America.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334; Apr. 4, 2003, D.C. Law 14-282, § 11(jj), 50 DCR 896.)

**Effect of amendments.** — D.C. Law 14-282 designated the existing text as subsec. (a); in the newly designated subsec. (a), substituted "District or instrumentality thereof" for "District", substituted "Mayor or instrumentality of the District" for "Mayor", and added the last two sentences; and added subsec. (b).

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 12(o) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of sec-

tion, see § 12(o) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary (90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Admin-

istration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see § 12(nn) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 12(oo) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(oo) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-902.

## § 47-1364. Assessment during redemption period; assessment to purchaser.

Until a judgment is entered that forecloses the right of redemption in a real property sold by the Mayor and a deed is executed by the Mayor, the real property shall continue to be assessed as though no sale had been made. When the judgment is entered and the deed executed, the real property shall be transferred on the assessment books or records to the purchaser notwithstanding any other law. After the transfer, the real property shall be assessed in the name of the purchaser.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

## § 47-1365. Tenant or person with less than fee simple interest paying taxes or levies to have credit out of rents.

A tenant or person with less than a fee simple interest from whom payment is obtained ("payor"), by distress or otherwise, of taxes due from an owner or other person under whom the payor holds shall receive a credit for the payment against the rents that the payor owes, except when:

(1) The payor is bound either by operation of law or by contract to pay the taxes;

(2) The real property is the subject of receivership proceedings; or

(3) The Mayor has taken possession of the real property in accordance with § 47-1363.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-



22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

## § 47-1366. Cancellation of sale by Mayor.

The Mayor may cancel a sale before the issuance of a final order by the Superior Court to prevent an injustice to the owner or person with an interest in the real property. In the event of such cancellation, the Mayor shall pay to the purchaser the amount which the purchaser would have received if the real property had been redeemed, but no part of such amount shall be deemed a payment of tax on behalf of the real property. A certificate of redemption, if necessary, shall be executed and filed by the Mayor with the Recorder of Deeds for no fee.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

### CASE NOTES

#### ANALYSIS

**Authority.**  
In general.

#### **Authority.**

Superior Court's authority was limited to canceling tax sale of owner's property rather than declaring the tax certificate issued to tax sale purchaser void ab initio, when the Mayor of the District did not have authority to offer owner's property at the tax sale because the owner had paid the amount stated in the notice of delinquency provided by the Office of Tax and Revenue (OTR), and the tax sale purchaser did not engage in any wrongdoing. *Rupsha*, 32 A.3d 402 (2007).

#### **In general.**

District of Columbia did not cancel tax sale

and could not be considered redeeming party after real property that did not have tax deficiency was erroneously sold at the sale, even though a company had purchased tax sale certificate for the property and sought to foreclose right of redemption; District of Columbia was not required to cancel sale, and because there were no taxes in arrears to redeem, there was no actionable claim to foreclose right of redemption and tax sale certificate was void ab initio. *Aeon Financial, LLC v. J.P.Morgan Chase Bank, N.A., et al.*, 138 WLR 1517 (Super. Ct. 2010).

Principle of caveat emptor is applicable to tax sales. *Aeon Financial, LLC v. J.P.Morgan Chase Bank, N.A., et al.*, 138 WLR 1517 (Super. Ct. 2010).

### *Subchapter IV. Foreclosure.*

## § 47-1370. Complaints by purchasers to foreclose the right of redemption; exercise of authority by form of complaint.

(a) At any time after the expiration of a 6-month waiting period following the date of sale, a purchaser may file a complaint to foreclose the right of redemption of the real property to which the certificate of sale corresponds.

(b) In a suit to foreclose the right of redemption, the Superior Court may:

(1) Bar the right of redemption and foreclose (A) all transfers of the real property occurring before the judgment of the court as provided in this chapter and (B) all liens and encumbrances on the real property except as provided in § 47-1382;

(2) Vest title in fee simple in the purchaser; or

(3) Set aside the sale and determine the amount required to redeem the real property.

(c)(1) A complaint filed pursuant to subsection (a) of this section shall state:

(A) The fact of the issuance of the certificate of sale and the date of the certificate;

(B) A description of the real property in substantially the same form as the description appearing on the certificate along with the street address, if any;

(C) An itemization of the amount paid at tax sale by the purchaser for each year or period of taxes, including costs of sale.

(D) The fact that the real property has not been redeemed by a person having an interest in the real property;

(E) A request for an order of publication directed to all persons having an interest in the real property; and

(F) A request that the court pass a judgment that forecloses the right of redemption of the defendants and any other person having any interest in the real property.

(2) The caption of the complaint filed for relief under subsection (a) of this section shall comply with §§ 47-1373(a) and 47-1374(a).

(3) The certificate of sale issued by the Mayor to the purchaser or a photocopy of the certificate shall be attached to the complaint and shall be made part of the complaint.

(d) The right of redemption shall continue until a judgment foreclosing the right of redemption becomes final.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

## § 47-1371. Parties.

(a) The plaintiff in an action to foreclose the right of redemption shall be the purchaser.

(b)(1) Except as otherwise provided in this subsection, the defendants in an action to foreclose the right of redemption shall be:

(A) The record title holder of the real property;

(B) The legal title holder, if different from the record title holder;



(C) If the real property is encumbered by a recorded life tenancy, the record life tenant and record remaindermen;

(D) If the real property is subject to an estate for life or a lease or ground rent for a term (with renewals) that is at least 30 years, the record title holder of the fee simple title and the owner of the possessory interest as disclosed by a search performed in accordance with generally accepted standards of title examination of the records of the Recorder of Deeds and the Probate Division of the Superior Court;

(E) Any mortgagee of the real property, or any assignee of the mortgage of record, named as such in an unreleased mortgage recorded in the records of the Recorder of Deeds;

(F) The trustee of record under a deed of trust recorded against the real property and a holder of a beneficial interest in a deed of trust who files notice of the interest, which notice includes identification of the deed of trust, the book and page or roll and frame where the deed of trust is recorded, and the current address at which the holder may be served with a summons; and

(G) The District.

(2) The plaintiff shall certify, under penalties of perjury, to the Superior Court that a search for the defendants has been performed in accordance with generally accepted standards of title examination of the records of the Recorder of Deeds and probate decisions of the Superior Court.

(3) The plaintiff may elect not to include as a defendant any of the persons named in paragraph (1) of this subsection. However, the rights of any person not included as a defendant shall not be affected by the action.

(4) The plaintiff shall not be required to name as defendant any other person that has, or claims to have, any right, title, interest, claim, lien, or equity of redemption in the real property sold by the Mayor. Any of these persons shall be included as defendants by the designation "all persons that have or claim to have any interest in real property... (giving a description of the real property in substantially the same form as the description that appears on the Mayor's certificate of sale along with the street address, if any)." Any of these persons shall be designated throughout the action by the above designation, may participate as defendants in the action, and the action may proceed against them by publication under order of court as provided in this chapter.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

## § 47-1372. Notice to certain persons.

(a)(1) The plaintiff shall send written notice of the action to:

(A) Notwithstanding the provisions of § 47-1371(b)(4), all persons

having a recorded interest, recorded claim, or recorded lien, including a recorded judgment, who have not been made a defendant in the action and, if the real property is the common areas owned by or legally dedicated to a homeowners association, to the homeowners association governing the real property, at the last reasonably ascertainable address; and

(B) Each commercial tenant of the real property whose identity is known to the plaintiff at the commercial tenant's last reasonably ascertainable address.

(C)(i) A purchaser of the real property, or an assignee of a certificate of sale, if the purchaser has recorded the certificate of sale and any assignee has recorded the assignment, as prescribed by § 47-1350, within 4 months after the date of sale to the plaintiff; provided, that the purchaser or assignee shall file an attachment with the certificate of sale or assignment indicating his mailing address; provided further, that the assignee shall file the certificate of sale if the certificate was not filed by the purchaser.

(ii) Foreclosure of the right of redemption shall not extinguish the amount to which the purchaser or assignee is entitled under this chapter.

(2) This section shall not apply to residential tenants.

(b) The notice under subsection (a) of this section shall be:

(1) Sent by certified mail, postage prepaid, return receipt requested, bearing a postmark from the United States Postal Service; and

(2) Accompanied by a copy of the summons and a copy of the complaint.

(c) The plaintiff shall file in the action:

(1) The return receipt from the notice; or

(2) If the return receipt has not been returned, the proof of mailing and an affidavit stating that the notice provisions of subsection (b) of this section have been complied with, or an affidavit stating that the address of the holder of the subordinate interest is not reasonably ascertainable.

(d)(1) Notwithstanding any other provisions of this section, the plaintiff shall send written notice of the action to any commercial tenant of the real property whose occupancy of the real property is reasonably ascertainable by the plaintiff, whether or not the commercial tenant's identity is known:

(A) By first-class mail, postage prepaid, bearing a postmark from the United States Postal Service, addressed to the commercial tenant by name if the identity of the commercial tenant is known to the plaintiff, or addressed to "occupant" if the identity of the commercial tenant is not known;

(B) To each separately leased area of the real property that the plaintiff can reasonably ascertain is occupied;

(C) In an envelope prominently marked on the outside with the phrase "Notice of Action to Foreclose"; and

(D) Accompanied by a copy of the complaint.

(2) The notice shall include the following statement in conspicuous, bold-faced print:

"If the unpaid taxes, together with costs and expenses, are not paid, the court may enter a judgment foreclosing the right of redemption that would terminate your lease and right to occupy the real property. You have the right to pay the unpaid taxes, together with costs and expenses, and avoid lease termination



and eviction. A judgment foreclosing the right of redemption could be entered within the next 90 days and at that time you could be evicted or required to vacate the real property.”

(e) If the filing under subsection (c) of this section is made before the entry of final judgment, the failure of a person under subsection (a)(1) of this section to receive the notice shall not invalidate the sale.

(f) In addition to the notice required by subsection (a) of this section, the plaintiff shall provide notice of the action by posting a copy of the summons on a place on the premises of the real property where it may be conveniently read.

(g)(1) Subject to § 47-1371(b)(1) and (4), after entry of a judgment foreclosing the right of redemption and at least 30 days before taking possession of the real property, the plaintiff shall give any commercial tenant of the real property written notice of the plaintiff’s intention to obtain possession of the real property and that the commercial tenant shall vacate the real property within 30 days after the notice.

(2) During the 30-day period immediately following entry of the judgment foreclosing the right of redemption, the plaintiff may apply for, process, and obtain, but not execute upon, a writ of possession of the real property.

(3) The notice under paragraph (1) of this subsection shall be sent:

(A) By first-class mail, postage prepaid, bearing a postmark from the United States Postal Service, addressed to the commercial tenant by name if the identity of the commercial tenant is known to the plaintiff, or addressed to “occupant” if the identity of the commercial tenant is not known;

(B) To each separately leased portion of the real property that the plaintiff can reasonably ascertain is occupied; and

(C) In an envelope prominently marked on the outside with the phrase “Notice of taking possession of real property.”

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334; Apr. 4, 2003, D.C. Law 14-282, § 11(kk), 50 DCR 896.)

**Effect of amendments.** — D.C. Law 14-282, in subsec. (a)(1), added par. (C).

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 12(pp) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(pp) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary (90 day) addition of section, see § 7 of Real

Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see § 12(oo) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 12(pp) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(pp) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-902.

**§ 47-1373. How unknown owner made party; affidavit of search.**

(a) If the identity of an owner cannot be ascertained as provided in § 47-1371, the unknown owner of the real property may be included as a defendant by the designation: "Unknown owner of real property (insert a description of the real property in substantially the same form as the description that appears on the certificate of sale along with the street address, if any), the unknown owner's heirs, devisees, and personal representatives and their or any of their heirs, devisees, executors, administrators, grantees, assigns, or successors in right, title and interest." The unknown owner shall be so designated throughout the action. The action shall proceed against the unknown owner by publication under order of the court as provided in § 47-1375.

(b) A complaint to foreclose the right of redemption filed against an unknown owner as set forth in subsection (a) of this section shall have attached to it an affidavit by the person making the search stating at a minimum that:

(1) The owner of the real property (or a part of the real property) is unknown; and

(2) A complete search of the records for at least 40 years immediately before the filing of the action was performed in accordance with generally accepted standards of title examination.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**§ 47-1374. Service of process.**

(a) The plaintiff shall set forth in the caption of the complaint the last address known to the plaintiff or to the attorney filing the complaint of each defendant, as obtained from:

(1) Any records examined as part of the title examination;

(2) The Recorder of Deeds; and

(3) Any other address that is known to the plaintiff or the attorney filing the complaint.

(b) Subsection (a) of this section shall not require the plaintiff or the attorney for the plaintiff to make any investigations or to search any other records or sources of information other than those stated.

(c) This subsection applies only if a last known address for a defendant is obtained as provided under subsections (a) and (b) of this section. The plaintiff shall cause a copy of the order of publication to be mailed by first class, certified mail, postage prepaid, to each defendant at the defendant's address as determined by the provisions of subsections (a) and (b) of this section. If a



defendant is not served by summons or as provided by subsection (d) of this section, the plaintiff shall file an affidavit in the action, which affidavit:

(1) Shall certify compliance with this subsection; and

(2) Shall be accompanied by the receipt obtained from the post office for the mailing or the certified mail receipt.

(d) Notice to a defendant may be made in any other manner that results in actual notice of the pendency of the action to the defendant. If notice is given under this subsection, the plaintiff shall file an affidavit that fairly describes the method and time of service.

(e) A final judgment may not be entered before the later of:

(1) If actual service is made on the defendant, the failure to timely respond to the summons issued by the court;

(2) The actual time specified in the order of publication; or

(3) Twenty-three days after the date of the mailing of the copy of the order of publication under subsection (c) of this section.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Emergency legislation.** — For temporary

## § 47-1375. Notice by publication.

At the time the summons (or initial summons) is issued, the plaintiff shall obtain an order of publication directed to all defendants, naming them as provided by this chapter. The real property shall be described in the order of publication as the real property is described on the certificate of sale along with the street address, if any. The order of publication shall notify all persons that have, or claim to have, an interest in the real property to answer the complaint or to redeem the real property on or before the date named in the order of publication and, in case of failure to appear, answer, or redeem the real property, that a judgment will be entered that forecloses the right of redemption in the real property. The date named may not be less than 60 days from the date of the order. Subject to § 47-1371(b), when the order of publication is issued and published, any person that has any right, title, interest, claim, lien, or equity of redemption in the real property is bound by the judgment of the court that may be entered in the case as if the person were personally served with process. The order of publication shall be in substantially the following form:

### “Order of Publication

“The object of this proceeding is to secure the foreclosure of the right of redemption in the following real property located in the District of Columbia, and sold by the Mayor of the District of Columbia to the plaintiff in this action: (Insert description of real property in substantially the same form as the

description appearing on the Mayor's certificate of sale along with the street address, if any.)

"The complaint states, among other things, that the amounts necessary for redemption have not been paid.

"It is thereupon this ..... day of ....., 20..., by the Superior Court of the District of Columbia, Ordered, That notice be given by the insertion of a copy of this order in some newspaper having a general circulation in District of Columbia once a week for 3 successive weeks, notifying all persons interested in the real property to appear in this Court by the ..... day of....., 20..., and redeem the real property by payment of \$.... or answer the complaint or, thereafter, a final judgment will be entered foreclosing the right of redemption in the real property and vesting in the plaintiff a title in fee simple."

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

## § 47-1376. Validity of taxes and sale presumed unless attacked in answer.

In an action to foreclose the right of redemption, the plaintiff shall not be required to plead or prove the various steps, procedure, and notices for the assessment and imposition of the taxes for which the real property was sold or the proceedings taken by the Mayor to sell the real property. The validity of the procedure is conclusively presumed unless a defendant in the proceeding shall, by answer, plead as an affirmative defense, the invalidity of the taxes, the invalidity of the proceedings to sell, or the invalidity of the sale.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

## § 47-1377. Purchaser reimbursed by redeeming party for expenses.

(a) Except as provided in subsection (b) of this section, upon redemption, a purchaser is entitled to be reimbursed by the redeeming person for the following expenses incurred in an action, or in preparation for an action, to foreclose the right of redemption:

(1) Before the filing of an action to foreclose redemption:



(A) The amount of \$300 for pre-complaint legal expenses, including a title search of the public record required to satisfy the notice requirements of this chapter, and

(B) The amount paid to record the certificate of sale; or

(2) If a complaint has been filed before redemption, all expenses as allowed by the Superior Court, including expenses incurred for personal service of process, expenses for service of process by publication, expenses for publication and posting of all required notices, expenses for postage, and reasonable attorneys' fees.

(b) No purchaser of a certificate of sale shall be reimbursed for expenses incurred within 4 months after the date of sale or if the certificate becomes void under this chapter.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

## § 47-1378. Final order.

Upon the occurrence of the last event specified in § 47-1374(e), a plaintiff may be entitled to judgment foreclosing the right of redemption. An interlocutory order shall not be required. The judgment shall be final and conclusive on the defendants, their heirs, devisees, and personal representatives and they, or any of their heirs, devisees, executors, administrators, assigns, or successors in right, title, or interest, shall be bound by the judgment as if they had been named in the action and personally served with process.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

## § 47-1379. Reopening judgments.

The Superior Court shall not open a judgment rendered in an action for foreclosure of the right of redemption, except on the grounds of lack of jurisdiction or fraud in the conduct of the action to foreclose; provided, that the reopening of a judgment on the ground of constructive fraud in the conduct of the action to foreclose shall not be entertained by the court unless an application to reopen a judgment rendered is filed within 90 days from the date of the judgment.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

## CASE NOTES

### In general.

Statute providing that Superior Court 'shall not open a judgment rendered in an action for foreclosure of the right of redemption, except on the grounds of lack of jurisdiction or fraud in the conduct of the action to foreclose' limits Superior Court's ability to vacate such a judgment to two grounds provided in statute and, thus, limits or otherwise overrides Superior Court's ability to vacate judgments under rule of civil procedure setting forth six grounds for relief from a final judgment. *Shoetan v. Link, et al.*, 137 WLR 2685 (Super. Ct. 2009).

Statute providing that Superior Court may

not vacate a judgment foreclosing right of redemption unless jurisdiction was lacking or there was fraud in foreclosure, which limits or otherwise overrides Superior Court's ability to vacate judgments under rule of civil procedure setting forth six grounds for relief from a final judgment, restricts Superior Court's equity jurisdiction and, thus, violates provision of Home Rule Act that prohibits District of Columbia Council from enacting any law with respect to congressional provisions relating to jurisdiction of the District of Columbia courts. *Shoetan v. Link, et al.*, 137 WLR 2685 (Super. Ct. 2009).

## § 47-1380. Judgment setting aside sale.

(a) If the Superior Court shall set aside a sale, the amount required to redeem is: (A) the amount required by this chapter, as may be adjusted by the court, and (B) the reasonable value, on the date the judgment is set aside, of all reasonable improvements made on the real property by the purchaser and the purchaser's successors in interest subject to § 47-1363.

(b) A sale shall not be set aside unless the real property is redeemed.

(c) If the Superior Court sets aside a sale in the absence of fraud on the part of the purchaser, the Mayor shall repay to the purchaser:

(1) The amount paid to the Mayor on account of the purchase price of the property sold, with interest thereon except surplus;

(2) All taxes accrued after the date of sale that were paid by the purchaser under this chapter, with interest as would have been required to be paid by a redeemer;

(3) The expenses collected by the Mayor and properly incurred under § 47-1377; and

(4) The amount, as collected by the Mayor, of the value of all reasonable improvements made on the real property by the purchaser and the purchaser's successors in interest.

(d) Notwithstanding any other provision of this section, if the Superior Court finds fraud on the part of the purchaser, the Superior Court shall set aside the sale.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334; Apr. 4, 2003, D.C. Law 14-282, § 11(1), 50 DCR 896.)



**Effect of amendments.** — D.C. Law 14-282 added subsec. (d).

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 12(qq) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(qq) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary (90 day) addition of section, see § 7 of Real

Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see § 12(pp) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 12(qq) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(qq) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-902.

## CASE NOTES

### ANALYSIS

**Authority.**  
In general.

### Authority.

Superior Court's authority was limited to canceling tax sale of owner's property rather than declaring the tax certificate issued to tax sale purchaser void ab initio, when the Mayor of the District did not have authority to offer owner's property at the tax sale because the owner had paid the amount stated in the notice of delinquency provided by the Office of Tax and Revenue (OTR), and the tax sale purchaser did not engage in any wrongdoing. *Rupsha*, 32 A.3d 402 (2007).

District of Columbia was required to cancel the tax sale of owner's property, when the Mayor of the District did not have authority to offer owner's property at the tax sale because the owner had paid the amount stated in the notice of delinquency provided by the Office of Tax and Revenue (OTR), and the purchaser had not engaged in wrongdoing; though under statute and regulation the District had the authority to cancel, not canceling the sale in the applicable circumstances would have been an abuse of discretion. *Rupsha*, 32 A.3d 402 (2007).

### In general.

District of Columbia did not cancel tax sale

and could not be considered redeeming party after real property that did not have tax deficiency was erroneously sold at the sale, even though a company had purchased tax sale certificate for the property and sought to foreclose right of redemption; District of Columbia was not required to cancel sale, and because there were no taxes in arrears to redeem, there was no actionable claim to foreclose right of redemption and tax sale certificate was void ab initio. *Aeon Financial, LLC v. J.P.Morgan Chase Bank, N.A., et al.*, 138 WLR 1517 (Super. Ct. 2010).

Superior Court was not required to set aside erroneous tax sale of real property that did not have tax deficiency, even though company had purchased tax sale certificate for the property and sought to foreclose right of redemption; governing set-aside statute contemplated that redemption could and would occur if a sale were set aside, and because taxes were not due and owing at time of sale, tax sale certificate was void ab initio and there could be no actionable claim to foreclose right of redemption. *Aeon Financial, LLC v. J.P.Morgan Chase Bank, N.A., et al.*, 138 WLR 1517 (Super. Ct. 2010).

Principle of caveat emptor is applicable to tax sales. *Aeon Financial, LLC v. J.P.Morgan Chase Bank, N.A., et al.*, 138 WLR 1517 (Super. Ct. 2010).

## § 47-1381. Judgment bars redemption only in real property described therein.

If a plaintiff who files a complaint to foreclose the right of redemption describes the real property in the complaint in a manner other than that contained in the certificate of sale or states an incorrect street address, and the

description in the judgment, the description in the complaint, and the description in the certificate of sale are intended to describe the same real property, the judgment entered barring the defendant's right to redeem bars the defendant's interest only in the real property described in the judgment.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

## § 47-1382. Purchaser's deed; payment; compliance with terms of judgment as to payments.

(a) A final judgment foreclosing the right of redemption shall direct the Mayor to execute and deliver a deed to the purchaser in fee simple on payment to the Mayor of the amount required under this section. No deed shall be executed before such payment is received. The final judgment shall direct the Mayor to enroll the purchaser in fee simple as the owner of the real property. The fee simple interest shall be conveyed subject to:

- (1) A lien filed by the taxing agency under § 47-1340(c);
- (2) The tenancy of a residential tenant (other than a tenant described in § 47-1371(b)(1)(C) and (D));
- (3) Easements of record and any other easement that may be observed by an inspection of the real property; and
- (4) An instrument securing payment of a promissory note executed under § 47-1353(a)(3).

(b) Notwithstanding subsection (a)(1) of this section, the fee simple interest conveyed of a real property sold under § 47-1353(a)(3) or (b) shall not be subject to a lien filed by the taxing agency under § 47-1340(c).

(c) The purchaser shall pay all amounts that would be required of a person redeeming under § 47-1361; provided, that the purchaser shall not make payment for taxes and periods for which the purchaser purchased the certificate of sale, was assigned a certificate of sale under § 47-1349, and made payment under § 47-1354.

(d) The deed shall be prepared by the purchaser or the attorney for the purchaser and all expenses incident to the preparation, execution, delivery, and recordation of the deed shall be paid by the purchaser.

(e) The plaintiff shall provide a certified copy of the final judgment to the Mayor.

(f) If the purchaser fails to pay to the Mayor the amount required under this section within 30 days of the final judgment, the final judgment may be vacated as void by the Superior Court on the motion of any party. If the purchaser does not record the deed in the Recorder of Deeds within 30 days of the execution of the deed, the final judgment may be vacated as void by the Superior Court on the motion of any party. If a final judgment is so vacated, the



deed and the certificate of sale are void and all money paid by the purchaser to the Mayor is forfeited except as provided in § 47-1354(c).

(g) Any surplus paid for a real property by a purchaser shall be applied against other taxes, interest thereon, and expenses owing on the real property for which a deed is sought if the application and timely balance payment shall result in the full payment required to obtain the deed.

(h) Any overpayment, including expenses, shall be paid by the Mayor to the person who made the overpayment. If there is a dispute regarding payment of the overpayment, the Mayor shall hold the overpayment until a court of competent jurisdiction determines the proper distribution of the overpayment.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334; Apr. 4, 2003, D.C. Law 14-282, § 11(mm), 50 DCR 896.)

**Effect of amendments.** — D.C. Law 14-282, in subsec. (a), made nonsubstantive changes in pars. (2) and (3), and added par. (4); and in subsec. (b), substituted “§ 47-1353(a)(3) or (b)” for “§ 47-1353(b)”.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 12(rr) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(rr) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see § 12(qq) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 12(rr) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(rr) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-902.

## CASE NOTES

### ANALYSIS

Bankruptcy.  
Tax foreclosure.

### Bankruptcy.

Transfer accomplished when prepetition tax-sale purchaser of Chapter 13 debtor's real property tendered payment postpetition and mayor of District of Columbia executed and delivered tax-sale deed had no effect on bankruptcy estate property, and therefore actions of purchaser and mayor did not violate automatic stay as acts against estate property, where tax-sale judgment entered prepetition had conclusively ended debtor's right of redemption under District of Columbia law, leaving him with rights limited to legal title and right of occupancy subject to divestment upon purchaser's performance on purchase contract through

tender of payment, and statute empowered District of Columbia to convey legal and equitable title to purchaser upon payment of purchase price. In re Foskey, 417 B.R. 836, 2009 Bankr. LEXIS 3287 (2009), affirmed by 437 B.R. 1, 2010 U.S. Dist. LEXIS 103060 (D.D.C. 2010).

### Tax foreclosure.

Under District of Columbia law, tax foreclosure sale purchaser's failure to pay the District within 30 days of final judgment terminating taxpayer's redemptive rights, and purchaser's failure to record its deed within 30 days of its issuance, did not automatically void either the validity of this final judgment or tax sale purchaser's interest in property; rather, taxpayer merely gained right to file motion to vacate final judgment. Foskey v. Plus Props., LLC, 437 B.R. 1, 2010 U.S. Dist. LEXIS 103060 (2010).

§ 47-1383. Obtaining possession.

Subject to the rights of tenants under residential leases described in § 47-1382(a), a person who acquires a deed to real property under this chapter is entitled to issuance of a writ of possession of the real property as if the person had obtained a judgment awarding possession of the real property.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

§ 47-1384. Construction of chapter.

Notwithstanding any other law, the provisions of this chapter shall be liberally construed as remedial legislation to encourage the foreclosure of the right of redemption by suits in the Superior Court and for the decreeing of marketable titles to real property sold by the Mayor.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

§ 47-1385. Transition provisions; applicability of chapter.

Chapter 13 [of this title] shall apply to any tax sale made or instituted, and any agreement executed between the District and any third party with respect to such sale, before January 1, 2001. This chapter shall apply to any tax sale made or instituted (or which could have been made or instituted), and any agreement executed between the District and any third party with respect to such sale, after December 31, 2000.

(June 9, 2001, D.C. Law 13-305, § 507(a)(2), 48 DCR 334.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary

(90 day) addition of section, see § 7 of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.



## CHAPTER 14. TAXATION OF RECORDATION AND TRANSFERS OF REAL PROPERTY.

<i>Subchapter I. Definitions</i>	Sec.
Sec.	47-1433. Violations.
47-1401. Definitions.	<i>Subchapter IV. Licensing of Dealers in Residential Real Property</i>
<i>Subchapter II. Residential Real Property Transfer Excise Tax</i>	47-1441 to 47-1451. [Repealed].
47-1411 to 47-1421. [Expired].	<i>Subchapter V. Miscellaneous Provisions</i>
<i>Subchapter III. Compulsory Recordation of Transfers of Real Property</i>	47-1461, 47-1462. [Repealed].
47-1431. In general.	<i>Subchapter VI. Severability; Effect of Repeal or Amendment of Other Provisions</i>
47-1432. Presumptions and burden of proof.	47-1471. [Repealed].

### *Subchapter I. Definitions.*

## § 47-1401. Definitions.

For the purposes of this chapter, unless otherwise indicated:

(1) The term “basis” shall have the same meaning as does that term when determining gain or loss under Subtitle A, Chapter 1, subchapter O, part II of the Internal Revenue Code (§ 1 et seq. of Title 26, United States Code).

(2) The term “Charter” means title IV of the District of Columbia Home Rule Act [subchapter IV of Chapter 2 of Title 1].

(3) The term “Commission” means the Real Estate Commission of the District of Columbia as established in § 42-1739.

(4) The term “consideration” means the amount paid or required to be paid, or the value exchanged or required to be exchanged, by a transferee to acquire real property.

(5) The term “Council” means the Council of the District of Columbia established under § 1-204.01.

(6) The term “dealer in real property” and the term “dealer” means any person who transfers 3 or more real properties within a period of 30 months. The following transfers of real property (as defined by this subchapter) shall not be considered for the purpose of determining whether the transferor is a dealer:

(A) Transfers prior to the effective date;

(B) Transfers of a transferor’s principal residence (as defined by this subchapter);

(C) Transfers to or by a District of Columbia nonprofit organization which is organized and operated for the purpose of constructing, improving, or renovating real property; provided, that such organization is exempt from federal income taxation under § 501(a) (§ 501(a) of Title 26, United States Code) and is described in § 501(c)(3) (§ 501(c)(3) of Title 26, United States Code) of the Internal Revenue Code. Transfers by such organization must be made in furtherance of the organization’s exempt purpose;

(D) Transfers to or by the federal government or the government of the District of Columbia, their agencies and instrumentalities, and the first

transfer after the transfer by said governments; provided, that said first transfer after the transfer by said governments is governed by laws and regulations pertaining to a housing or community development program administered by the District or federal government;

(E) Transfers in which the transferee neither gives nor is required to give any consideration in any form (including transfers by gift, deeds of correction, deeds which merely change tenancy, and deeds of trust); provided, that the basis of the property in the hands of the transferee shall be the same as it was in the hands of the transferor;

(F) Transfers where the property being transferred was received by the transferor without giving or being required to give any consideration in any form; provided, that the transferor shall prove by clear and convincing evidence, upon all the facts and circumstances, that the transfer in which the transferor received the property was not made for the purpose of excluding the instant transfer from consideration in determining if the transferor is a dealer (as defined by this subsection). It shall be presumed that the transfer in which the transferor received the property without consideration was made for the purpose of excluding the instant transfer from consideration in determining whether the transferor is a dealer. The regulations prescribed by the Mayor shall set forth the information which will be deemed sufficient to rebut said presumption;

(G) Transfers by devise, or as a result of intestate succession;

(H) Transfers where the property being transferred was received by the transferor by devise or as a result of intestate succession;

(I) Transfers executed by persons in their capacity as court-appointed receivers, referees, administrators, executors, conservators, guardians of the estates of minors, and committees of the estates of persons judicially determined to be mentally incompetent;

(J) The first transfer of property, the construction of which was completed after the effective date (as defined by this subchapter) regardless of when the construction began. The construction of property shall be considered complete at the time such construction is completed to the same extent required for the issuance of a certificate of occupancy, as that term is used in § 6-641.09. This subparagraph applies only to newly-constructed structures and not to rehabilitated structures;

(K) Foreclosure sales, and the first transfer thereafter if said first transfer is made by the mortgagee who instituted the foreclosure proceedings and purchased the property at the foreclosure sale, or obtained title directly from the defaulting party without a foreclosure sale; provided, that said mortgagee is licensed in the District of Columbia as a bank or other financial institution;

(L) Deeds of release of property where the property was security for a debt or other obligation; and

(M) Transfers by a transferor whose holding period (as defined by this subchapter) for the property being transferred was longer than 36 months.

(7) The term "deed recordation tax" means the tax imposed by § 42-1103.

(8) The term "deficiency" shall have the same meaning given to that term by § 47-1801.04(15).



(9) The term “effective date” means the date on which this chapter takes effect according to the provisions of § 1-206.02(c)(1).

(10) The term “equitable title” means a right in a party to have the legal title to a real property (or real property, solely for purposes of subchapter III of this chapter) transferred to such party. The term shall also include any right to receive equitable title by means of an option to purchase or otherwise.

(11) The term “gain” means the excess of the consideration received by a transferor over the transferor’s basis for the property (as defined by this subchapter) transferred.

(12) The term “fair market value” means the price at which a willing seller and a willing buyer will trade or the price which would in all probability have been arrived at between a willing seller and a willing buyer.

(13) The term “holding period” shall have the same meaning as does that term for purposes of § 1223 of the Internal Revenue Code (§ 1223 of Title 26, United States Code).

(14) The term “Internal Revenue Code” means the Internal Revenue Code of 1954 (§ 1 et seq. of Title 26, United States Code) and any amendments thereto.

(15) The term “legal holiday” means any District of Columbia public holiday, including Saturday and Sunday, as designated by § 28-2701.

(16) The term “legal title” means complete and perfect title to real property (or real property, solely for purposes of subchapter III of this chapter) in the party to whom such title belongs so far as regards the apparent right of ownership and possession of the real property (or real property, solely for purposes of subchapter III of this chapter) but which carries no beneficial interest in the property, another person being equitably entitled thereto.

(17) The term “major appliances” shall include the following appliances if a transferor transfers such appliances when transferring real property: Refrigerator, cooking range, oven, dishwasher, garbage disposal, trash compactor, and washer and dryer.

(18) The term “Mayor” means the Mayor of the District of Columbia established under § 1-204.21.

(19) The term “person” means any individual, firm, partnership, copartnership, joint venture, association, corporation (domestic or foreign), trust, trustee of any estate, or court-appointed receiver.

(20) The term “principal residence” shall have the same meaning as does that term for purposes of § 1034 of the Internal Revenue Code (§ 1034 [repealed] of Title 26, United States Code); except, that in determining whether a real property is the principal residence of a transferor, in addition to consideration of all the facts and circumstances as provided by § 1034 of the Internal Revenue Code (§ 1034 [repealed] of Title 26, United States Code), the property must have been the principal residence of the transferor for the 180-day period immediately preceding the transfer.

(21) The term “real covenant” means an agreement between 2 or more persons relating to a property, the terms of which shall be binding on any heir or assign of the promisor under the agreement and which shall be enforceable by the person holding legal title to said property.

(22) The term “real property” means improved as well as unimproved land in the District of Columbia.

(23) The term “residential real property” means improved real property in the District of Columbia which at any time during the 12 months immediately preceding its transfer contained not more than 4 dwelling units. The term “dwelling unit” shall have the same meaning as given to that term in the Zoning Regulations of the District of Columbia (11 DCMR § 199).

(24) The term “solicitation” means any act which would cause a person to come within the definition of solicitor of real property.

(25) The term “solicitor of real property” means a person who, without prior invitation from the holder of legal title to a real property, offers to purchase or expresses a desire to purchase such property, or in any other way attempts to persuade or induce such holder to sell or otherwise transfer such title.

(26) The term “tax,” “excise” or “excise tax” means the tax imposed by this chapter.

(27) The term “3rd party” means all persons who are not parties to a contract, agreement, or instrument of writing by which their interest in the thing conveyed is sought to be effected.

(28) The term “transfer” means a transaction by which real property (or real property, solely for purposes of subchapter III of this chapter), or any title or right to receive any title thereto, or any portion thereof, or any interest therein (except a proprietary lease and a rental lease, unless such rental lease includes an option or right to buy) is either directly or indirectly conveyed, vested, granted, devised, bargained, sold, exchanged or assigned by any document, instrument, writing, agreement, or by any means whatsoever.

(29) The term “transferee” means the person (or persons) to whom a transfer of real property (or real property, solely for purposes of subchapter III of this chapter [§ 47-1431 et seq.]) is made.

(30) The term “transferor” means the person (or persons) who makes a transfer of real property (or real property, solely for purposes of subchapter III of this chapter [§ 47-1431 et seq.]).

(31) The term “vacant” means not occupied by the person having legal title or other title to the property and without other lawful occupants.

(D.C. Law 2-91, § 101, 24 DCR 9765; Mar. 10, 1983, D.C. Law 4-209, § 35(b)(1), 30 DCR 390; April 30, 1988, D.C. Law 7-104, § 35(a), 35 DCR 147; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Mar. 24, 1998, D.C. Law 12-81, § 59(b), 45 DCR 745; June 9, 2001, D.C. Law 13-305, § 505(e), 48 DCR 334.)

**Cross references.** — Deed recordation tax, execution of the deed, see § 42-1103.

**Prior Codifications.** — 1981 Ed., § 47-1401.

1973 Ed., § 47-3301.

**Effect of amendments.** — D.C. Law 13-305, in pars. (4), (6), (10), (16), (17), (20), (24), (28), (29), and (30), deleted “residential” preceding “real property”; and, in par. (23), deleted “or

‘property’” following “‘residential real property’”.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 5(f) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

**Emergency legislation.** — For temporary



(90 day) amendment of section, see § 5(e) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

**Legislative history of Law 2-91.** — Law 2-91, the “Residential Real Property Transfer Excise Tax Act of 1978,” was introduced in Council and assigned Bill No. 2-101, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first, amended first, second amended first, and second readings on February 21, 1978, March 7, 1978, March 21, 1978 and April 4, 1978, respectively. Signed by the Mayor on April 27, 1978, it was assigned Act No. 2-189 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 4-209.** — Law 4-209, the “District of Columbia Real Estate Licensure Act of 1982,” was introduced in Council and assigned Bill No. 4-230, which was referred to the Committee on Housing and Economic Development. The Bill was adopted

on first and second readings on November 16, 1982, and December 14, 1982, respectively. Signed by the Mayor on December 28, 1982, it was assigned Act No. 4-299 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 7-104.** — For legislative history of D.C. Law 7-104, see Historical and Statutory Notes following § 47-363.

**Legislative history of Law 12-81.** — Law 12-81, the “Technical Amendments Act of 1998,” was introduced in Council and assigned Bill No. 12-408, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 4, 1997, and December 4, 1997, respectively. Signed by the Mayor on December 22, 1997, it was assigned Act No. 12-246 and transmitted to both Houses of Congress for its review. D.C. Law 12-81 became effective on March 24, 1998.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

## *Subchapter II. Residential Real Property Transfer Excise Tax.*

**§§ 47-1411 to 47-1421. Imposition; persons liable; transfers affected; period of applicability; exempt transfers; manner of determination; rate table; development of return forms and quarterly filing regulations and procedures; filing of return and information; payment; required information in return; supporting documentation; applicability of income and franchise tax provisions; willful breach or intentional dishonor of property warranty; annual report by Mayor; promulgation of regulations [Expired].**

[Expired].

**Editor’s notes.** — Expiration of subchapter: Due to a sunset provision contained in § 47-1411(d), the residential real property transfer excise tax imposed by this subchapter applied only during the 3-year period after July 13, 1978, and during the period of effectiveness of

D.C. Act 4-60, which was approved on July 20, 1981, and remained in effect for no longer than 90 days. The deletion of the provisions of this subchapter is not intended to affect any existing legal rights or obligations.

## *Subchapter III. Compulsory Recordation of Transfers of Real Property.*

### **§ 47-1431. In general.**

(a) Within 30 days after the execution of a deed or other document by which legal title to real property, an estate for life or a lease or ground rent (including

renewals) for a term that is at least 30 years, or an economic interest in real property is transferred, or after a security interest in a real property is given pursuant to a construction loan deed of trust or mortgage or a permanent loan deed of trust or mortgage, or by which a security interest in the real property is conveyed, all transferees of, and all holders of the security interest in, real property shall record a fully acknowledged copy of the deed or other document, including the lot and square number of the real property transferred or encumbered, with the Recorder of Deeds of the District of Columbia. If the 30th day is a Saturday, Sunday, or legal holiday, the time limitation for recording shall be extended to include the first day after the 30th day which is not a Saturday, Sunday, or legal holiday.

(b) Whenever any portion of an instrument, which conveys or provides for the conveyance of equitable title to a real property, is transferred by or on behalf of a party to such instrument to a 3rd party, then the party so transferring shall record, at the same time as provided by subsection (a) of this section, a fully-acknowledged copy of said instrument, including the lot and square number of the real property transferred, with the Recorder of Deeds of the District of Columbia, and the 3rd party shall record, at the same time as provided by subsection (a) of this section, with the Recorder of Deeds of the District of Columbia a fully-acknowledged instrument, including the lot and square number of the property transferred, evidencing the transfer to himself (or herself or itself as the case may be). All subsequent transfers of equitable title made prior to the transfer of legal title shall be recorded by each subsequent transferee thereto, in the same manner and at the same time as provided in subsection (a) of this section.

(July 13, 1978, D.C. Law 2-91, § 301, 24 DCR 9765; Sept. 13, 1980, D.C. Law 3-92, § 102, 27 DCR 3390; June 14, 1994, D.C. Law 10-128, § 102, 41 DCR 2096; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 505(f), 48 DCR 334; Apr. 4, 2003, D.C. Law 14-282, § 11(nn), 50 DCR 896.)

**Cross references.** — Deed recordation tax, recordation procedures, see § 42-1106.

Deed recordation tax, required records, power to investigate, see § 42-1105.

**Section references.** — This section is referred to in §§ 42-1103, 47-813, 47-850.02, 47-863, 47-903, 47-1432, and 47-1433.

**Prior Codifications.** — 1981 Ed., § 47-1431.

1973 Ed., § 47-3313.

**Effect of amendments.** — D.C. Law 13-305, in subsec. (a), inserted “, or an estate for life or a lease or ground rent (including renewals) for a term that is at least 30 years” and substituted “all transferees of, and all holders of the security interest in,” for “all transferees of the legal or economic interest in the real estate and all holders of the security interest in”.

D.C. Law 14-282, in subsec. (a), substituted “, an estate for life” for “or an estate for life.”

**Temporary Amendment of Section.** —

For temporary (225 day) amendment of section, see § 5(g) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

For temporary (225 day) amendment of section, see § 12(ss) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(ss) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 5(f) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of sec-



tion, see § 12(rr) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 12(ss) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(ss) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 2-91.** — For legislative history of D.C. Law 2-91, see Historical and Statutory Notes following § 47-1401.

**Legislative history of Law 3-92.** — Law 3-92, the “District of Columbia Revenue Act of 1980,” was introduced in Council and assigned Bill No. 3-285, which was referred to the Committee on Finance and Revenue. The Bill was

adopted on first and second readings on June 17, 1980 and July 1, 1980, respectively. Signed by the Mayor on July 9, 1980, it was assigned Act No. 3-214 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 10-128.** — Law 10-128, the “Omnibus Budget Support Act of 1994,” was introduced in Council and assigned Bill No. 10-575, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on March 22, 1994, and April 12, 1994, respectively. Signed by the Mayor on April 14, 1994, it was assigned Act No. 10-225 and transmitted to both Houses of Congress for its review. D.C. Law 10-128 became effective on June 14, 1994.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-902.

## § 47-1432. Presumptions and burden of proof.

For the purpose of proper administration of this subchapter and to prevent evasion of the recordation requirements, the Mayor shall presume that all transfers, as described in § 47-1431, are required to be recorded. The burden shall be upon the person required to record to prove that a deed or any other document is exempt from the recordation requirement.

(July 13, 1978, D.C. Law 2-91, § 302, 24 DCR 9765; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1432.

1973 Ed., § 47-3314.

**Legislative history of Law 2-91.** — For legislative history of D.C. Law 2-91, see Historical and Statutory Notes following § 47-1401.

## § 47-1433. Violations.

(a) Where a dealer fails to record, as required by § 47-1431, and such failure is due to negligence, there shall be imposed on said dealer, a penalty of \$25 for each month or portion thereof that such failure continues, not to exceed \$250.

(b) Repealed.

(c) If a person fails to record the deed or other document, as required by § 47-1431, there shall be imposed on the person an additional penalty in the amount of \$250. The penalty provided herein shall not be imposed if the deed or other document is a security instrument. The Mayor may waive the penalty in accordance with § 47-4221.

(d) Repealed.

(e) The penalty fees provided under this section shall be collected at the same time and in the same manner and as a part of the deed recordation tax. If the transaction is exempt from the deed recordation tax, then the Mayor shall collect the fees in a manner prescribed by the Mayor.

(f) If the Mayor determines that a person has failed to record or has failed to pay any fee as required by this chapter, the procedures set forth in § 42-1108 [repealed] shall apply.

(g) Nothing in this chapter shall authorize the imposition of a penalty for the failure to record a deed or any instrument that conveys legal title to real property, if failure to record is due solely to the refusal of the Recorder of Deeds to record the deed or other instrument based on the existence of a lien against the property for unpaid water, sanitary sewer, or meter service charges.

(July 13, 1978, D.C. Law 2-91, § 303, 24 DCR 9765; Apr. 30, 1988, D.C. Law 7-104, § 35(b), 35 DCR 147; June 13, 1990, D.C. Law 8-136, § 6, 37 DCR 2620; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 505(g), 48 DCR 334; Apr. 4, 2003, D.C. Law 14-282, § 11(oo), 50 DCR 896.)

**Prior Codifications.** — 1981 Ed., § 47-1433.

1973 Ed., § 47-3315.

**Effect of amendments.** — D.C. Law 13-305, in subsec. (c), rewrote the first sentence which had read: "Where a person other than a dealer fails to record, as required by 47-1431, there shall be imposed on such person a penalty in the amount of \$10 for each month or portion thereof that such failure continues, not to exceed \$50."

D.C. Law 14-282 rewrote subsec. (c) which had read as follows: "(c) If a person other than a dealer fails to record, as required by § 47-1431, there shall be imposed on the person a penalty in the amount of \$250. Whenever it is shown by such person that failure to record was due to reasonable cause and was not due to knowing omission or neglect, the Mayor may waive part of or all of the penalty fee provided by this subsection. In every case of a partial or total waiver, the reason for the waiver shall be stated clearly on a public record determined by the Mayor."

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 5(h) of Real Property Tax Clarity and Litter Control Administration Temporary Amendment Act of 2001 (D.C. Law 14-8, June 13, 2001, law notification 48 DCR 5916).

For temporary (225 day) amendment of section, see § 12(tt) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(tt) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 5(g) of Real Property Tax Clarity and Litter Control Administration Emergency Act of 2001 (D.C. Act 14-22, March 16, 2001, 48 DCR 2706).

For temporary (90 day) amendment of section, see § 12§§ of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 12(tt) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(tt) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 2-91.** — For legislative history of D.C. Law 2-91, see Historical and Statutory Notes following § 47-1401.

**Legislative history of Law 7-104.** — Law 7-104, the "Technical Amendments Act of 1987," was introduced in Council and assigned Bill No. 7-346, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 24, 1987, and December 8, 1987, respectively. Signed by the Mayor on December 22, 1987, it was assigned Act No. 7-124 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 8-136.** — Law 8-136, the "District of Columbia Water and Sewer Operations Amendment Act of 1990," was introduced in Council and assigned Bill No. 8-269, which was referred to the Committee on Public Works. The Bill was adopted on first and second readings on March 27, 1990, and April 10, 1990, respectively. Signed by the Mayor on April 17, 1990, it was assigned Act No. 8-192 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-902.

**Delegation of Authority.** — Delegation of authority under D.C. Law 8-136, the "D.C. Water and Sewer Operations Act of 1990," see Mayor's Order 91-176, Oct. 24, 1991.

**Editor's notes.** — Mayor authorized to issue rules: Section 8 of D.C. Law 8-136 provided that within 60 days of June 13, 1990, the Mayor shall, pursuant to subchapter I of Chapter 5 of Title 2, issue proposed rules to implement the provisions of this act including rules regarding



deposits, meters, liens, the sale and redemption of real property, the amnesty program, receivership, termination of water and sewer services, and administrative review; that the proposed rules shall be submitted to the Council for a 45-day period of review, excluding Saturdays, Sundays, legal holidays, and days of Council recess, and, if the Council does not approve or disapprove the proposed rules, in

whole or in part, by resolution within this 45-day period, the proposed rules shall be deemed approved; and that if after 90 days from June 13, 1990 the Mayor has failed to issue proposed rules to implement the provisions of this act as provided in subsection (a) of this section, the Council may adopt any legislation necessary to accomplish the purposes of this act.

### *Subchapter IV. Licensing of Dealers in Residential Real Property.*

#### **§ 47-1441. Definitions. [Repealed].**

Repealed.

(July 13, 1978, D.C. Law 2-91, § 401, 24 DCR 9765; Mar. 10, 1983, D.C. Law 4-209, § 35(b)(2), 30 DCR 390; Apr. 30, 1988, D.C. Law 7-104, § 35(c), 35 DCR 147; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 20, 1999, D.C. Law 12-261, § 1243(a), 46 DCR 3142.)

**Prior Codifications.** — 1981 Ed., § 47-1441.

1973 Ed., § 47-3316.

**Legislative history of Law 2-91.** — For legislative history of D.C. Law 2-91, see Historical and Statutory Notes following § 47-1401.

**Legislative history of Law 4-209.** — For legislative history of D.C. Law 4-209, see Historical and Statutory Notes following § 47-1401.

**Legislative history of Law 7-104.** — For legislative history of D.C. Law 7-104, see Historical and Statutory Notes following § 47-1433.

**Legislative history of Law 12-261.** — Law 12-261, the “Second Omnibus Regulatory Reform Amendment Act of 1998,” was introduced in Council and assigned Bill No. 12-845, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 10, 1998, and December 1, 1998, respectively. Signed by the Mayor on December 21, 1998, it was assigned Act No. 12-615 and transmitted to both Houses of Congress for its review. D.C. Law 12-261 became effective on April 20, 1999.

#### **§ 47-1442. General requirements. [Repealed].**

Repealed.

(July 13, 1978, D.C. Law 2-91, § 402, 24 DCR 9765; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 20, 1999, D.C. Law 12-261, § 1243(a), 46 DCR 3142.)

**Prior Codifications.** — 1981 Ed., § 47-1442.

1973 Ed., § 47-3317.

**Legislative history of Law 2-91.** — For legislative history of D.C. Law 2-91, see Historical and Statutory Notes following § 47-1401.

**Legislative history of Law 12-261.** — For legislative history of D.C. Law 12-261, see Historical and Statutory Notes following § 47-1441.

#### **§ 47-1443. Persons prohibited from acquiring license; contents of applications. [Repealed].**

Repealed.

(July 13, 1978, D.C. Law 2-91, § 403, 24 DCR 9765; Apr. 30, 1988, D.C. Law 7-104, § 35(c), 35 DCR 147; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 20, 1999, D.C. Law 12-261, § 1243(a), 46 DCR 3142.)

**Prior Codifications.** — 1981 Ed., § 47-1443.

1973 Ed., § 47-3318.

**Legislative history of Law 2-91.** — For legislative history of D.C. Law 2-91, see Historical and Statutory Notes following § 47-1401.

**Legislative history of Law 7-104.** — For

legislative history of D.C. Law 7-104, see Historical and Statutory Notes following § 47-1433.

**Legislative history of Law 12-261.** — For legislative history of D.C. Law 12-261, see Historical and Statutory Notes following § 47-1441.

## § 47-1444. Issuance and display of license. [Repealed].

Repealed.

(July 13, 1978, D.C. Law 2-91, § 404, 24 DCR 9765; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 20, 1999, D.C. Law 12-261, § 1243(a), 46 DCR 3142.)

**Prior Codifications.** — 1981 Ed., § 47-1444.

1973 Ed., § 47-3319.

**Legislative history of Law 2-91.** — For legislative history of D.C. Law 2-91, see Historical and Statutory Notes following § 47-1401.

**Legislative history of Law 12-261.** — For legislative history of D.C. Law 12-261, see Historical and Statutory Notes following § 47-1441.

## § 47-1445. License expiration, fees and renewals; change in location of principal place of business. [Repealed].

Repealed.

(July 13, 1978, D.C. Law 2-91, § 405, 24 DCR 9765; Apr. 30, 1988, D.C. Law 7-104, § 35(c), (d), 35 DCR 147; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 20, 1999, D.C. Law 12-261, § 1243(a), 46 DCR 3142.)

**Prior Codifications.** — 1981 Ed., § 47-1445.

1973 Ed., § 47-3320.

**Legislative history of Law 2-91.** — For legislative history of D.C. Law 2-91, see Historical and Statutory Notes following § 47-1401.

**Legislative history of Law 7-104.** — For

legislative history of D.C. Law 7-104, see Historical and Statutory Notes following § 47-1433.

**Legislative history of Law 12-261.** — For legislative history of D.C. Law 12-261, see Historical and Statutory Notes following § 47-1441.

## § 47-1446. Maintenance of place of business; nonresidents. [Repealed].

Repealed.

(July 13, 1978, D.C. Law 2-91, § 406, 24 DCR 9765; Mar. 10, 1983, D.C. Law 4-209, § 35(b)(3), 30 DCR 390; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Mar. 24, 1998, D.C. Law 12-81, § 59(c), 45 DCR 745; Apr. 20, 1999, D.C. Law 12-261, § 1243(a), 46 DCR 3142.)



**Prior Codifications.** — 1981 Ed., § 47-1446.

1973 Ed., § 47-3321.

**Legislative history of Law 2-91.** — For legislative history of D.C. Law 2-91, see Historical and Statutory Notes following § 47-1401.

**Legislative history of Law 4-209.** — For legislative history of D.C. Law 4-209, see Historical and Statutory Notes following § 47-1401.

## § 47-1447. Grounds for suspension or revocation of license. [Repealed].

Repealed.

(1973 Ed., § 47-3322; July 13, 1978, D.C. Law 2-91, § 407, 24 DCR 9765; Mar. 10, 1983, D.C. Law 4-209, § 35(b)(4), 30 DCR 390; Apr. 30, 1988, D.C. Law 7-104, § 35(e), 35 DCR 147; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 20, 1999, D.C. Law 12-261, § 1243(a), 46 DCR 3142.)

**Prior Codifications.** — 1981 Ed., § 47-1447.

1973 Ed., § 47-3322.

**Legislative history of Law 2-91.** — For legislative history of D.C. Law 2-91, see Historical and Statutory Notes following § 47-1401.

**Legislative history of Law 4-209.** — For legislative history of D.C. Law 4-209, see Historical and Statutory Notes following § 47-1401.

**Legislative history of Law 7-104.** — For legislative history of D.C. Law 7-104, see Historical and Statutory Notes following § 47-1433.

**Legislative history of Law 12-261.** — For legislative history of D.C. Law 12-261, see Historical and Statutory Notes following § 47-1441.

## § 47-1448. Rescission of contracts or agreements; suspension or revocation procedures. [Repealed].

Repealed.

(1973 Ed., § 47-3323; July 13, 1978, D.C. Law 2-91, § 408, 24 DCR 9765; Mar. 10, 1983, D.C. Law 4-209, § 35(b)(5), 30 DCR 390; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 20, 1999, D.C. Law 12-261, § 1243(a), 46 DCR 3142.)

**Prior Codifications.** — 1981 Ed., § 47-1448.

1973 Ed., § 47-3323.

**Legislative history of Law 2-91.** — For legislative history of D.C. Law 2-91, see Historical and Statutory Notes following § 47-1401.

**Legislative history of Law 4-209.** — For

legislative history of D.C. Law 4-209, see Historical and Statutory Notes following § 47-1401.

**Legislative history of Law 12-261.** — For legislative history of D.C. Law 12-261, see Historical and Statutory Notes following § 47-1441.

## § 47-1449. Mayor to report certain violations to Commission. [Repealed].

Repealed.

(1973 Ed., § 47-3324; July 13, 1978, D.C. Law 2-91, § 409, 24 DCR 9765; Apr. 30, 1988, D.C. Law 7-104, § 35(f), 35 DCR 147; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 20, 1999, D.C. Law 12-261, § 1243(a), 46 DCR 3142.)

**Prior Codifications.** — 1981 Ed., § 47-1449.  
1973 Ed., § 47-3324.

**Legislative history of Law 2-91.** — For legislative history of D.C. Law 2-91, see Historical and Statutory Notes following § 47-1401.

**Legislative history of Law 7-104.** — For

legislative history of D.C. Law 7-104, see Historical and Statutory Notes following § 47-1433.

**Legislative history of Law 12-261.** — For legislative history of D.C. Law 12-261, see Historical and Statutory Notes following § 47-1441.

## § 47-1450. Annual report by Commission. [Repealed].

Repealed.

(1973 Ed., § 47-3325; July 13, 1978, D.C. Law 2-91, § 410, 24 DCR 9765; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 20, 1999, D.C. Law 12-261, § 1243(a), 46 DCR 3142.)

**Prior Codifications.** — 1981 Ed., § 47-1450.  
1973 Ed., § 47-3325.

**Legislative history of Law 2-91.** — For legislative history of D.C. Law 2-91, see Historical and Statutory Notes following § 47-1401.

**Legislative history of Law 12-261.** — For legislative history of D.C. Law 12-261, see Historical and Statutory Notes following § 47-1441.

## § 47-1451. Regulations and violations thereof. [Repealed].

Repealed.

(1973 Ed., § 47-3326; July 13, 1978, D.C. Law 2-91, § 411, 24 DCR 9765; Mar. 10, 1983, D.C. Law 4-209, § 35(b)(6), 30 DCR 390; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 20, 1999, D.C. Law 12-261, § 1243(a), 46 DCR 3142.)

**Prior Codifications.** — 1981 Ed., § 47-1451.  
1973 Ed., § 47-3326.

**Legislative history of Law 2-91.** — For legislative history of D.C. Law 2-91, see Historical and Statutory Notes following § 47-1401.

**Legislative history of Law 4-209.** — For

legislative history of D.C. Law 4-209, see Historical and Statutory Notes following § 47-1401.

**Legislative history of Law 12-261.** — For legislative history of D.C. Law 12-261, see Historical and Statutory Notes following § 47-1441.

### *Subchapter V. Miscellaneous Provisions.*

## § 47-1461. Annual report of costs and revenues. [Repealed].

Repealed.

(1973 Ed., § 47-3327; July 13, 1978, D.C. Law 2-91, § 501, 24 DCR 9765; Apr. 30, 1988, D.C. Law 7-104, § 35(g), 35 DCR 147; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 20, 1999, D.C. Law 12-261, § 1243(a), 46 DCR 3142.)

**Prior Codifications.** — 1981 Ed., § 47-1461.  
1973 Ed., § 47-3327.

**Legislative history of Law 2-91.** — For

legislative history of D.C. Law 2-91, see Historical and Statutory Notes following § 47-1401.

**Legislative history of Law 7-104.** — For legislative history of D.C. Law 7-104, see His-



torical and Statutory Notes following § 47-1433.

**Legislative history of Law 12-261.** — For

legislative history of D.C. Law 12-261, see Historical and Statutory Notes following § 47-1441.

## § 47-1462. Regulations. [Repealed].

Repealed.

(1973 Ed., § 47-3328; July 13, 1978, D.C. Law 2-91, § 502, 24 DCR 9765; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 20, 1999, D.C. Law 12-261, § 1243(a), 46 DCR 3142.)

**Prior Codifications.** — 1981 Ed., § 47-1462.

1973 Ed., § 47-3328.

**Legislative history of Law 2-91.** — For legislative history of D.C. Law 2-91, see Historical and Statutory Notes following § 47-1401.

**Legislative history of Law 12-261.** — For legislative history of D.C. Law 12-261, see Historical and Statutory Notes following § 47-1441.

## *Subchapter VI. Severability; Effect of Repeal or Amendment of Other Provisions.*

## § 47-1471. In general. [Repealed].

Repealed.

(1973 Ed., § 47-3329; July 13, 1978, D.C. Law 2-91, § 601, 24 DCR 9765; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 20, 1999, D.C. Law 12-261, § 1243(a), 46 DCR 3142.)

**Prior Codifications.** — 1981 Ed., § 47-1471.

1973 Ed., § 47-3329.

**Legislative history of Law 2-91.** — For legislative history of D.C. Law 2-91, see Historical and Statutory Notes following § 47-1401.

**Legislative history of Law 12-261.** — For legislative history of D.C. Law 12-261, see Historical and Statutory Notes following § 47-1441.

CHAPTER 15. TAXATION OF PERSONAL PROPERTY.

*Subchapter I. General Provisions*

Sec.

47-1501 to 47-1507. [Repealed].

47-1508. Exemptions.

47-1509 to 1511. [Repealed].

47-1512. Rolling stock.

*Subchapter II. Procedure*

47-1521. Definitions.

47-1522. Levy of annual tax on personal property.

47-1523. Reporting requirement; valuation of property.

Sec.

47-1524. Form of tax return; filing; extensions.

47-1525, 47-1526. [Repealed].

47-1527. Failure to file or fraudulent return; collection and enforcement.

47-1528. Deficiency; request for hearing.

47-1529 to 47-1532. [Repealed].

47-1533. Appeal from assessment or denial of claim for refund.

47-1534. [Repealed].

47-1535. Rules; powers of Mayor.

47-1536. [Repealed].

*Subchapter I. General Provisions.*

**§ 47-1501. Assessment — Board of Assistant Assessors. [Repealed].**

Repealed.

(Feb. 28, 1987, D.C. Law 6-212, § 24, 34 DCR 850.)

**Cross references.** — National Capital Region Transportation, revenues allocated to the Metrorail/Metrobus Account, see § 9-1111.15.

**Section references.** — This section is referred to in § 47-2501.

**Prior Codifications.** — 1981 Ed., § 47-1501.

**Legislative history of Law 6-212.** — For legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1521.

**§ 47-1502. Assessment — Full and true value to be listed. [Repealed].**

Repealed.

(Feb. 28, 1987, D.C. Law 6-212, § 23, 34 DCR 850.)

**Prior Codifications.** — 1981 Ed., § 47-1502.

**Legislative history of Law 6-212.** — For

legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1521.

**§ 47-1503. Assessment — Forms for listing of property subject to tax. [Repealed].**

Repealed.

(Feb. 28, 1987, D.C. Law 6-212, § 24, 34 DCR 850.)

**Prior Codifications.** — 1981 Ed., § 47-1503.

**Legislative history of Law 6-212.** — For

legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1521.



**§ 47-1504. Warehouse property. [Repealed].**

Repealed.

(Feb. 28, 1987, D.C. Law 6-212, § 21, 34 DCR 850.)

**Prior Codifications.** — 1981 Ed., § 47-1504.

legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1521.

**Legislative history of Law 6-212.** — For

**§§ 47-1505, 47-1506. “Resident” defined; returns and values to be made at certain dates. [Repealed].**

Repealed.

(Feb. 28, 1987, D.C. Law 6-212, § 23, 34 DCR 850.)

**Prior Codifications.** — 1981 Ed., §§ 47-1505, 47-1506.

**Legislative history of Law 6-212.** — For legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1521.

**Legislative history of Law 6-212.** — For legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1521.

**§ 47-1507. Applicable rates. [Repealed].**

Repealed.

(Feb. 28, 1987, D.C. Law 6-212, § 24, 34 DCR 850.)

**Prior Codifications.** — 1981 Ed., § 47-1507.

**Legislative history of Law 6-212.** — For

legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1521.

**§ 47-1508. Exemptions.**

(a) The following personal property shall be exempt from the tax imposed by this act:

(1) The personal property of any corporation, and any community chest fund or foundation, organized exclusively for religious, scientific, charitable, or educational purposes, including hospitals, no part of the net earnings of which inure to the benefit of any private shareholder or individual; provided, that (A) the organization shall have first obtained a letter from the Mayor stating that it is entitled to the exemption, and (B) any personal property used for activities that generate unrelated business income subject to tax under section 511 of the Internal Revenue Code of 1986 shall not be exempt.

(2) Works of art owned by a nonresident of the United States, who is not a citizen of the United States, so long as the works of art were lent without charge to the trustees of the National Gallery of Art solely for exhibition without charge to the general public.

(3) Any motor vehicle or trailer registered according to subchapter I of Chapter of Title 50, except that special equipment mounted on a motor vehicle or trailer and not used primarily for the transportation of persons or property shall be taxed as tangible personal property as provided by law.

(3A) The personal property of any company subject to a gross receipts or distribution tax imposed by Chapter 25 or Chapter 39 of this title.

(4) Repealed.

(4A) Repealed.

(5) Repealed.

(6) Repealed.

(7) Beginning on May 1, 1997, the personal property of a wireless telecommunication company, as defined in § 47-3901(12), irrespective of whether the property is used or consumed in furnishing a service the charges from which are subject to Chapter 39 of this title. For purposes of this subparagraph, the term "personal property" shall not include office equipment or office furniture.

(8) The personal property of any digital audio radio satellite service company operating under a digital audio radio service by satellite license granted by the Federal Communications Commission; provided, that such company is subject to a gross receipts tax in force in the District for the period of time or for any portion of the time covered by any return required to be filed by Chapter 15 of this title.

(9)(A) The personal property of a qualified supermarket, as defined in § 47-3801(2), which is a development, as defined in § 47-3801(1), for the first 10 years for which the tax imposed by this chapter would otherwise be due.

(B) The exemption granted by subparagraph (A) of this paragraph shall apply only:

(i) During the time that the real property is used as a supermarket;

(ii) In the case of the development of a qualified supermarket on real property not owned by the supermarket, if the owner of the real property leases the land or structure to the supermarket at a fair market rent reduced by the amount of the real property tax exemption provided by § 47-1002(23); and

(iii) During the time that the supermarket development is in compliance with the requirements of subchapter X of Chapter 2 of Title 2.

(10)(A) The personal property of a Qualified High Technology Company for the 10 years beginning in the year of purchase.

(B) For the purposes of this paragraph, the term "qualified property" means any personal property, as defined in § 47-1521(4), which is used or held by a Qualified High Technology Company.

(C) This exemption shall apply to qualified property purchased after December 31, 2000.

(a-1) Nothing contained within this act, nor any prior act of Congress relating to the District of Columbia, shall be deemed to impose upon any person, firm, association, company, or corporation a tax based upon tangible personal property owned and stored by the person in a public warehouse in the District of Columbia for a period of time no longer than is necessary for the convenience or exigencies of reshipment and transportation to its destination outside the District of Columbia.

(b) The Mayor shall issue rules necessary to carry out the provisions of subsection (a)(3)(A) and (B) [now subsections (a)(4) and (5) (repealed)] of this section in accordance with subchapter I of Chapter 5 of Title 2.



(July 1, 1902, 32 Stat. 620, ch. 1352, § 6, par. 10; Apr. 28, 1904, 33 Stat. 564, ch. 1815; Mar. 4, 1913, 37 Stat. 1006, ch. 150, § 10; Sept. 1, 1950, 64 Stat. 576, ch. 836, § 3; May 18, 1954, 68 Stat. 112, ch. 218, §§ 605, 1001, 1002; Sept. 4, 1957, 71 Stat. 606, Pub. L. 85-281, § 6; Feb. 28, 1987, D.C. Law 6-212, § 19(a), 34 DCR 850; Oct. 1, 1987, D.C. Law 7-25, § 3, 34 DCR 5068; Sept. 20, 1989, D.C. Law 8-26, § 21, 36 DCR 4723; Sept. 10, 1992, D.C. Law 9-145, § 110(c), 39 DCR 4895; Sept. 26, 1995, D.C. Law 11-52, § 112, 42 DCR 3684; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 30, 1998, D.C. Law 12-100, § 2(a), 45 DCR 1533; Apr. 5, 2000, D.C. Law 13-75, § 2(a), 46 DCR 10425; Apr. 12, 2000, D.C. Law 13-91, § 156(c), 47 DCR 520; July 18, 2000, D.C. Law 13-148, § 2(a), 47 DCR 4636; Oct. 4, 2000, D.C. Law 13-166, 3(b), 47 DCR 5821; Apr. 3, 2001, D.C. Law 13-256, § 401, 48 DCR 730; June 9, 2001, D.C. Law 13-305, § 202(h), 302(a), 48 DCR 334; Oct. 19, 2002, D.C. Law 14-213, § 33(p), 49 DCR 8140.)

**Cross references.** — Property exempt from taxation, see § 47-1001 et seq.

Public utility taxes, personal property tax, exemptions, see § 47-2501.

Television, video, or radio service taxes, personal property tax, exemptions, see § 47-2501.01.

**Prior Codifications.** — 1981 Ed., § 47-1508.

1973 Ed., § 47-1208.

**Effect of amendments.** — D.C. Law 13-75 added par. (8) to subsec. (a).

D.C. Law 13-91 in par. (3) of subsec. (a), struck the subparagraph designations "(A)", "(B)", "(C)", and "(D)" and inserted the paragraph designations "(4)", "(5)", "(6)", and "(7)" respectively in their place and in par. (4) struck the paragraph designation (4) and inserted the subsection designation (a-1) in its place.

D.C. Law 13-148, amended subsec. (a), par. (4), by striking "electric lighting," wherever appearing; and added par. (4A).

D.C. Law 13-166 added a new paragraph (9) to subsec. (a).

D.C. Law 13-256 added subsec. (a)(10).

D.C. Law 13-305, in subsec. (a)(1), substituted "individual; provided, that (A) the organization shall have first obtained a letter from the Mayor stating that it is entitled to the exemption, and (B) any personal property used for activities that generate unrelated business income subject to tax under section 511 of the Internal Revenue Code of 1986 shall not be exempt." for "individual, except that the organization shall have first obtained a certificate from the Mayor stating that it is entitled to the exemption"; added subsec. (a)(3A); and repealed subsecs. (a)(4) and (6) which had read:

(a) "(4) The personal property of any gas or telephone company regulated under Subtitle I of Title 34, if the gas or telephone company is subject to a gross receipts tax in force in the District for the period of time or for any portion

of the time covered by any return required to be filed by subchapter II of Chapter 15 of this title."

(a) "(6) The personal property of any cable television company regulated under Chapter 12 of Title 34, if the cable television company is subject to a gross receipts tax in force in the District for the period of time or for any portion of the time covered by any return required to be filed by the Chapter 15 of this title."

D.C. Law 14-213, in subsec. (a)(1), deleted a period following "exempt".

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 21 of Toll Telecommunications Service Tax Temporary Act of 1989 (D.C. Law 8-4, May 23, 1989, law notification 36 DCR 4154).

For temporary (225 day) amendment of section, see § 110(b) of Omnibus Budget Support Temporary Act of 1992 (D.C. Law 9-134, July 23, 1992, law notification 39 DCR 5815).

For temporary (225 day) amendment of section, see § 2 of Toll Telecommunication Temporary Amendment Act of 1996 (D.C. Law 11-23, July 14, 1995, law notification 42 DCR 3829).

For temporary (225 day) amendment of section, see § 2(c) of Lot 878, Square 456 Tax Exemption Clarification Temporary Amendment Act of 2004 (D.C. Law 15-181, September 8, 2004, law notification 51 DCR 9223).

**Emergency legislation.** — For temporary amendment of section, see § 2 of the Toll Telecommunication Emergency Amendment Act of 1995 (D.C. Act 11-42, April 17, 1995, 42 DCR 1936).

For temporary amendment of section, see § 112 of the Omnibus Budget Support Congressional Review Emergency Act of 1995 (D.C. Act 11-124, July 27, 1995, 42 DCR 4160).

For temporary (90-day) amendment of section, see § 2(a) of the Digital Audio Radio Satellite Service Company Tax Exemption Emergency Act of 1999 (D.C. Act 13-185, November 2, 1999, 46 DCR 9753).

For temporary (90-day) amendment of section, see § 2(a) of the Digital Audio Radio Satellite Service Company Tax Exemption Legislative Review Emergency Act of 1999 (D.C. Act 13-239, January 11, 2000, 47 DCR 554).

For temporary (90-day) amendment of section, see § 2(a) of the Digital Audio Radio Satellite Service Company Tax Exemption Congressional Review Emergency Act of 2000 (D.C. Act 13-310, April 7, 2000, 47 DCR 2733).

For temporary (90 day) amendment of section, see § 2(c) of Lot 878, Square 456 Tax Exemption Clarification Emergency Act of 2004 (D.C. Act 15-423, May 10, 2004, 51 DCR 5182).

For temporary (90 day) amendment of section, see § 2(c) of Lot 878, Square 456 Tax Exemption Clarification Congressional Review Emergency Act of 2004 (D.C. Act 15-467, July 19, 2004, 51 DCR 7584).

For temporary (90 day) amendment of section, see § 2 of Cogeneration Equipment Personal Property Tax Exemption Emergency Act of 2012 (D.C. Act 19-414, July 25, 2012, 59 DCR 9349).

**Legislative history of Law 6-212.** — For legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1521.

**Legislative history of Law 7-25.** — Law 7-25, the “Gross Receipt Tax Amendment Act of 1987,” was introduced in Council and assigned Bill No. 7-186, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 30, 1987 and July 14, 1987, respectively. Signed by the Mayor on July 17, 1987, it was assigned Act No. 7-47 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 8-26.** — Law 8-26 was introduced in Council and assigned Bill No. 8-166, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on May 30, 1989 and June 13, 1989, respectively. Signed by the Mayor on June 27, 1989, it was assigned Act No. 8-48 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 9-145.** — Law 9-145, the “Omnibus Budget Support Act of 1992,” was introduced in Council and assigned Bill No. 9-222, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on May 12, 1992, and June 2, 1992, respectively. Approved without the signature of the Mayor on June 22, 1992, it was assigned Act No. 9-225 and transmitted to both Houses of Congress for its review. D.C. Law 9-145 became effective on September 10, 1992.

**Legislative history of Law 11-52.** — Law 11-52, the “Omnibus Budget Support Act of 1995,” was introduced in Council and assigned Bill No. 11-218, which was referred to the

Committee of the Whole. The Bill was adopted on first and second readings on April 19, 1995, and June 6, 1995, respectively. Signed by the Mayor on July 13, 1995, it was assigned Act No. 11-94 and transmitted to both Houses of Congress for its review. D.C. Law 11-52 became effective on September 26, 1995.

**Legislative history of Law 12-100.** — Law 12-100, the “Commercial Mobile Telecommunication Service Tax Clarification Amendment Act of 1998,” was introduced in Council and assigned Bill No. 12-425, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on December 4, 1997, and January 6, 1998, respectively. Signed by the Mayor on January 27, 1998, it was assigned Act No. 12-276 and transmitted to both Houses of Congress for its review. D.C. Law 12-100 became effective on April 30, 1998.

**Legislative history of Law 13-75.** — Law 13-75, the “Digital Audio Radio Satellite Service Companies Tax Exemption Act of 1999,” was introduced in Council and assigned Bill No. 13-262, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on October 5, 1999, and November 2, 1999, respectively. Signed by the Mayor on November 18, 1999, it was assigned Act No. 13-192 and transmitted to both Houses of Congress for its review. D.C. Law 13-75 became effective on April 5, 2000.

**Legislative history of Law 13-91.** — Law 13-91, the “Technical Amendments Act of 1999,” was introduced in Council and assigned Bill No. 13-435, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 2, 1999, and December 7, 1999, respectively. Signed by the Mayor on December 29, 1999, it was assigned Act No. 13-234 and transmitted to both Houses of Congress for its review. D.C. Law 13-91 became effective on April 12, 2000.

**Legislative history of Law 13-148.** — Law 13-148, the “Electricity Tax Act of 2000,” was introduced in Council and assigned Bill No. 13-280, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on March 7, 2000, and April 4, 2000, respectively. Signed by the Mayor on July 18, 2000, it was assigned Act No. 13-335 and transmitted to both Houses of Congress for its review. D.C. Law 13-148 became effective on July 18, 2000.

**Legislative history of Law 13-166.** — Law 13-166, the “Supermarket Tax Exemption Act of 2000,” was introduced in Council and assigned Bill No. 13-88, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on May 3, 2000, and June 6, 2000, respectively. Signed by the Mayor on June 26, 2000, it was



assigned Act No. 13-365 and transmitted to both Houses of Congress for its review. D.C. Law 13-166 became effective on October 4, 2000.

**Legislative history of Law 13-256.** — Law 13-256, the "New E-Conomy Transformation Act of 2000", was introduced in Council and assigned Bill No. 13-752, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 8, 2000, and December 5, 2000, respectively. Signed by the Mayor on December 21, 2000, it was assigned Act No. 13-543 and transmitted to both Houses of Congress for its review. D.C. Law 13-256 became effective on April 3, 2001.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 14-213.** — For Law 14-213, see notes following § 47-820.

**References in text.** — "This act," referred to in the introductory language and subsection (a-1), is D.C. Law 6-212.

**Delegation of Authority.** — Delegation of authority pursuant to D.C. Law 7-25, the "Gross Receipts Tax Amendment Act of 1987", see Mayor's Order 94-120, May 16, 1994 (41 DCR 3240).

**Editor's notes.** — Section 4(b) of D.C. Law 12-100 provided that returns or payments due from wireless telecommunication companies for the period beginning May 1, 1997, through the effective date of this act not previously filed or paid shall be due by the 45th day after the effective date of this act.

Section 4(c) of D.C. Law 12-100 provided that beginning in FY 1999, the amount of tax imposed by the act shall not be calculated as gross revenue to which the tax is then applied.

Section 203(b) of D.C. Law 13-305 provided: "(b) Section 202(h) shall apply for tax years beginning after June 30, 2001."

Section 303(a) of D.C. Law 13-305 provided: "(a) Section 302(a) shall apply for all tax years beginning after June 30, 2001."

## CASE NOTES

### ANALYSIS

In general.

Scientific or educational institutions.

### In general.

District of Columbia code provision making exempt from taxation the personal property of benevolent and charitable institutions "not conducted for private gain" uses the quoted phrase to modify "institutions" and not "personal property," and accordingly restaurant property of religious shrine which was leased to private operator under percentage agreement, with the monies derived by the shrine therefrom going to its further development, was exempt from taxation. D.C. Code 1961, § 47-1208. *District of Columbia v. National Shrine of Immaculate Conception, Inc.*, 315 F.2d 42, 1963 U.S. App. LEXIS 6199 (C.A.D.C. 1963).

Statement by Court of Appeals in opinion that term "private gain" as used in District of Columbia statute, exempting from taxation scientific institutions not conducted for "private gain", has reference only to gain realized by any individual or stockholder who has a "pecuniary interest" in corporation, can be considered correct only if term "pecuniary interest" is interpreted very broadly. D.C. Code 1951, § 47-1208. *District of Columbia v. Sport Fishing Institute*, 252 F.2d 841, 1958 U.S. App. LEXIS 3785 (C.A.D.C. 1958).

None of exemptions listed in statute providing for taxation of tangible personal property refers in any way to personalty located in federal buildings, therefore, statute on its face is applicable to privately owned personalty lo-

cated on federally owned lands. D.C. Code 1981, §§ 47-1507, 47-1508. *ITEL Corp. v. District of Columbia*, 448 A.2d 261, 1982 D.C. App. LEXIS 394 (1982), writ of certiorari denied by 459 U.S. 1087, 103 S. Ct. 570, 74 L. Ed. 2d 932, 1982 U.S. LEXIS 4710, 51 U.S.L.W. 3460 (1982).

### Scientific or educational institutions.

Where District of Columbia Corporation, which was organized to promote sport fishing, had no capital stock and paid no dividends, but it was organized and existed primarily, though indirectly, for financial and commercial benefit and advantage of group of fishing tackle manufacturers, it was conducted for "private gain" within meaning of District of Columbia statute exempting from taxation scientific institutions not conducted for "private gain," and therefore, it was not exempt from taxation. D.C. Code 1951, § 47-1208. *District of Columbia v. Sport Fishing Institute*, 252 F.2d 841, 1958 U.S. App. LEXIS 3785 (C.A.D.C. 1958).

Evidence justified District of Columbia Tax Court's finding that National Wildlife Federation is a scientific institution, incorporated under District laws and not conducted for private gain, and hence exempt from taxation of its personal property by District. D.C. Code 1951, § 47-1208. *District of Columbia v. National Wildlife Federation*, 214 F.2d 217, 1954 U.S. App. LEXIS 2677 (C.A.D.C. 1954).

National Wildlife Federation, being a scientific institution, incorporated under District laws and not conducted for private gain, is exempt from taxation of its personal property by District notwithstanding Federation activi-

ties in District are relatively minor when measured in terms of purely local benefits. D.C. Code 1951, § 47-1208. *District of Columbia v. National Wildlife Federation*, 214 F.2d 217, 1954 U.S. App. LEXIS 2677 (C.A.D.C. 1954).

A university is "scientific institution" within Code provision exempting from taxation personality of scientific institutions incorporated under laws of United States or of District of Columbia and not conducted for private gain. D.C. Code 1940, § 47-1208. *District of Colum-*

*bia v. Catholic Ed. Press*, 199 F.2d 176, 1952 U.S. App. LEXIS 3309 (C.A.D.C. 1952).

Evidence established that a nonprofit, non-stock corporation having corporate purpose of preparing, publishing and distributing educational, literary, scientific and religious matter was a facility of university and was exempt from taxation under Code as being a scientific institution. D.C. Code 1940, § 47-1208. *District of Columbia v. Catholic Ed. Press*, 199 F.2d 176, 1952 U.S. App. LEXIS 3309 (C.A.D.C. 1952).

## § 47-1509. Penalties. [Repealed].

Repealed.

(July 3, 1926, 44 Stat. 833, ch. 759, § 5; Feb. 18, 1929, 45 Stat. 1227, ch. 259, § 5; June 25, 1936, 49 Stat. 1921, ch. 804; June 25, 1948, 62 Stat. 991, ch. 646, § 32(b); May 24, 1949, 63 Stat. 107, ch. 139, § 127; May 18, 1954, 68 Stat. 112, ch. 218, § 606; July 29, 1970, 84 Stat. 573, Pub. L. 91-358, title I, § 155(c)(48); June 15, 1976, D.C. Law 1-70, title III, § 301, 23 DCR 537; Apr. 19, 1977, D.C. Law 1-124, title III, § 301(a), 23 DCR 8749; Apr. 18, 1978, D.C. Law 2-73, § 2, 24 DCR 7066; Feb. 28, 1987, D.C. Law 6-212, § 25(c), 34 DCR 850; June 24, 1988, D.C. Law 7-129, § 2, 35 DCR 4102; Sept. 21, 1988, D.C. Law 7-143, § 2, 35 DCR 5403; Feb. 5, 1994, D.C. Law 10-68, § 43(b), 40 DCR 6311; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(p)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1509.

1973 Ed., § 47-1209.

**Legislative history of Law 1-70.** — Law 1-70, the "Revenue Act of 1976," was introduced in Council and assigned Bill No. 1-229, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings and reconsiderations of final reading on February 20, 1976, March 11, 1976 and April 6, 1976, respectively. Signed by the Mayor on April 20, 1976, it was assigned Act No. 1-106 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 1-124.** — Law 1-124, the "Revenue Act For Fiscal Year 1978," was introduced in Council and assigned Bill No. 1-375, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on December 3, 1976 and December 17, 1976, respectively. Signed by the Mayor on January 25, 1977, it was assigned Act No. 1-226 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 2-73.** — Law 2-73, the "Third Amendment to the Revenue Act for Fiscal Year 1978 and Other Purposes," was introduced in Council and assigned Bill No. 2-206, which was referred to the Committee on Finance and Revenue. The Bill was adopted

on first, amended first, and second readings on November 22, 1977, December 6, 1977 and January 10, 1978, respectively. Signed by the Mayor on February 9, 1978, it was assigned Act No. 2-149 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 6-212.** — For legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1521.

**Legislative history of Law 7-129.** — For legislative history of D.C. Law 7-129, see Historical and Statutory Notes following § 47-811.

**Legislative history of Law 7-143.** — For legislative history of D.C. Law 7-143, see Historical and Statutory Notes following § 47-811.

**Legislative history of Law 10-68.** — Law 10-68, the "Technical Amendments Act of 1993," was introduced in Council and assigned Bill No. 10-166, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on June 29, 1993, and July 13, 1993, respectively. Signed by the Mayor on August 23, 1993, it was assigned Act No. 10-107 and transmitted to both Houses of Congress for its review. D.C. Law 10-68 became effective on February 5, 1994.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Section 410(d) of D.C. Law 13-305 provided: "Section 406(a), (c), (j),



(m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000."

**§§ 47-1510, 47-1511. Dealers in general merchandise and common carriers by vessels, ships, or boats; staff of Personal Tax Appraisers; appointment and duties of personnel. [Repealed].**

Repealed.

(Feb. 28, 1987, D.C. Law 6-212, § 24, 34 DCR 850.)

**Prior Codifications.** — 1981 Ed., §§ 47-1510, 47-1511. legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-

**Legislative history of Law 6-212.** — For 1521.

**§ 47-1512. Rolling stock.**

(a) The rolling stock of railroad companies, refrigerator-car companies, parlor-car companies, sleeping-car companies, tank-car companies, express companies, car-renting companies, and all other companies owning parlor, sleeping, dining, tank, freight, or any other cars which are operated or run over or upon the line or lines of any railroad or terminal company in the District of Columbia, shall be deemed to be located in said District for purposes of taxation, whether or not the individual units are continuously in the District or are constantly changing, and such property shall be reported, assessed, and taxed within the time, and at the rates prescribed by law, for the reporting and taxation of other personal property in the District of Columbia.

(b) Such rolling stock as is primarily located in the District of Columbia shall be reported and taxed at its full and true value on the last day of the calendar year preceding the tax date.

(c) Such rolling stock as is not primarily located in the District of Columbia shall be reported and taxed in the manner following:

(1) Every railroad company operating rolling stock over or upon the line or lines of any railroad or terminal company in the District shall report to the Mayor of the District of Columbia the various classes of such rolling stock so operated by such company whether owned by it or any other railroad company; the number of miles traveled by each class of such rolling stock within the District during the calendar year next preceding the tax date; the total number of miles traveled by each class of such rolling stock on all lines over which such company operates during the calendar year next preceding the tax date; the total full and true value of each class of such rolling stock owned by such company on the last day of the calendar year next preceding the tax date; and such other facts and information as the Mayor may require. The taxable portion of the rolling stock of each such company shall be determined by applying the mileage traveled in the District by the various classes of such rolling stock operated in the District by such company to the total mileage traveled by the various classes of such rolling stock on all lines over which such company operates, and the tax shall be assessed on that portion of such rolling

stock owned by such company on the last day of the calendar year next preceding the tax date. The mileage and value of the rolling stock owned by such company which is permanently located outside of the District of Columbia shall not be included in the computation of such assessment;

(2) Every parlor-car company and sleeping-car company owning parlor and sleeping cars (except those owned by railroad companies and described in paragraph (1) of this subsection) which are operated in the District over or upon the tracks of any railroad or terminal company, shall report to the Mayor of the District of Columbia the total number of miles traveled by all such cars, and also the miles traveled by such cars within the District, during the calendar year next preceding the tax date; the total full and true value of all such cars so used as of the last day of the calendar year next preceding the tax date; and such other facts and information as the Mayor may require. The taxable portion of the value of the cars owned by any such company and used within the District shall be determined by applying to such value the ratio between the mileage traveled by such cars in the District and the total mileage traveled by such cars within and without the District;

(3)(A) Every car company, mercantile company, corporation or individual (other than railroad, parlor-car, and sleeping-car companies described in paragraphs (1) and (2) of this subsection) owning or leasing any stock cars, furniture cars, fruit cars, refrigerator cars, meat cars, oil cars, tank cars, or other similar cars, which are run over or upon the line or lines of any railroad or terminal company in the District of Columbia, shall furnish to the Mayor of the District of Columbia, on forms prescribed by the Mayor, a true, full, and accurate statement, verified by the affidavit of the officer or person making the same, showing the aggregate number of miles made by their several cars over or upon the several lines of railroad within the District of Columbia during the calendar year next preceding the tax date; the average number of miles traveled per day within the District of Columbia by the cars covered by the statement in the ordinary course of business during the year; and such other pertinent facts and information as the Mayor may require.

(B) Every railroad company whose lines run through or into the District of Columbia shall annually furnish to the Mayor a statement showing the name and address of every car company, mercantile company, corporation, or individual (other than railroad, parlor-car, and sleeping-car companies described in paragraphs (1) and (2) of this subsection) whose cars made mileage over its tracks in the District of Columbia during the calendar year next preceding the tax date, and the total number of miles made within the District of Columbia by each during said period.

(C) It shall be the duty of the Mayor to ascertain from the best and most reliable information that can be obtained and from said statements the number of cars required to make the total mileage of each such car company, mercantile company, corporation, or individual within the District of Columbia during the period aforesaid, and to ascertain and fix the valuation upon each particular class of such cars, and the number so ascertained to be required to make the total mileage within the District of Columbia of the cars of each such car company, mercantile company, corporation, or individual within said period



shall be assessed against the respective car companies, mercantile companies, corporations, or individuals. The valuation thus obtained shall be the full and true value and shall be the taxable portion of the cars owned by any such car company, mercantile company, corporation, or individual and used within the District of Columbia.

(d) All of the provisions of law relating to the filing of returns, assessment, payment, and collection of personal property taxes in the District of Columbia shall be applicable to the companies described in the foregoing subsections.

(e) Any individual, partnership, unincorporated association, or corporation aggrieved by any assessment of taxes made pursuant to the provisions of this section may appeal therefrom to the Superior Court of the District of Columbia in the same manner and to the same extent as set forth in §§ 47-3303, 47-3304, and 47-3306 to 47-3308.

(f) The provisions of this section shall be applicable to the taxable year beginning July 1, 1945, and each taxable year thereafter.

(Dec. 15, 1945, 59 Stat. 610, ch. 579; July 29, 1970, 84 Stat. 574, Pub. L. 91-358, title I, § 156(d); Feb. 28, 1987, D.C. Law 6-212, § 17, 34 DCR 850; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Cross references.** — Heating oil and gas, delivery services, applicable taxes, see § 47-2501.

Telecommunications companies, gross receipts taxes, credit for personal property taxes, see § 47-2501.

Television, video, or radio service taxes, personal property tax, see § 47-2501.01.

**Prior Codifications.** — 1981 Ed., § 47-1512.

1973 Ed., § 47-1215.

**Legislative history of Law 6-212.** — For legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1521.

## *Subchapter II. Procedure.*

### **§ 47-1521. Definitions.**

For the purposes of this subchapter, the term:

(1) “District” means the District of Columbia.

(2) “Mayor” means the Mayor of the District of Columbia.

(3) “Person” means an individual, firm, partnership, society, club, association, joint-stock company, corporation (domestic or foreign), estate, receiver, trustee, assignee, referee, and a fiduciary or other representative, whether or not appointed by a court, and any combination of individuals acting as a unit.

(4) “Tangible personal property” means tangible goods and chattels used or held for use in any business, activity, or occupation whether or not operated for profit.

(5) “Tax year” means the 12-month period beginning July 1st and ending the next June 30th.

(6) “Trade or business” means engaging in, carrying on, and winding up the affairs of a trade, business, profession, vocation, calling, or commercial activity whether or not operated for profit, and includes performing the duties of a public office, the leasing or renting of real or personal property, whether or not the property is leased or rented directly or through an agent and whether

or not services are performed in connection with the property, and any other activity carried on or engaged in for livelihood or profit.

(7) "Use in a trade or business" means use of property in commencing, conducting, continuing, or liquidating a trade or business.

(Feb. 28, 1987, D.C. Law 6-212, § 2, 34 DCR 850; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1521.

**Legislative history of Law 6-212.** — Law 6-212, the "Personal Property Tax Amendment Act of 1986," was introduced in Council and assigned Bill No. 6-100, which was referred to the Committee on Finance and Revenue. The

Bill was adopted on first and second readings on November 25, 1986 and December 16, 1986, respectively. Signed by the Mayor on January 8, 1987, it was assigned Act No. 6-272 and transmitted to both Houses of Congress for its review.

## § 47-1522. Levy of annual tax on personal property.

(a) Each year the district shall levy a tax against every person on the tangible personal property owned or held in trust in that person's trade or business in the District. The rate of tax shall be \$3.40 for each \$100 of value of the taxable personal property, in excess of \$225,000 in value.

(b) Construction equipment, vehicles, trailers, tools, and any other tangible personal property brought into the District on a temporary basis and used in a trade or business shall be taxed for the period that the property was physically located in the District.

(c) Persons owning leased personal property having a taxable situs in the District shall be subject to the tax and to the filing requirement of § 47-1524(b).

(d) Real property improvements that do not become an integral part of the realty shall be subject to the personal property tax imposed by subsection (a) of this section.

(e) Persons owning or holding in trust any tangible personal property located or having a taxable situs in the District on July 1st of the tax year that is used or available for use in a trade or business, whether or not operated for profit, shall file a return according to § 47-1524(b).

(Feb. 28, 1987, D.C. Law 6-212, § 3, 34 DCR 850; Sept. 10, 1992, D.C. Law 9-145, § 106, 39 DCR 4895; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Oct. 20, 1999, D.C. Law 13-38, § 2702(d), 46 DCR 6373; Mar. 20, 2008, D.C. Law 17-123, § 3(b), 55 DCR 1513.)

**Section references.** — This section is referred to in § 6-1071.

**Prior Codifications.** — 1981 Ed., § 47-1522.

**Effect of amendments.** — D.C. Law 17-123, in subsec. (a), substituted "\$225,000" for "\$50,000".

D.C. Law 13-38 in subsec. (a) inserted the phrase "in excess of \$50,000 in value" immediately following the phrase "The rate of tax

shall be \$3.40 for each \$100 of value of the taxable personal property".

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 106 of Omnibus Budget Support Temporary Act of 1992 (D.C. Law 9-134, July 23, 1992, law notification 39 DCR 5815).

**Emergency legislation.** — For temporary (90-day) amendment of section, see §§ 2702(d) and 2703(b) of the Service Improvement and



Fiscal Year 2000 Budget Support Emergency Act of 1999 (D.C. Act 13-110, July 28, 1999, 46 DCR 6320).

**Legislative history of Law 6-212.** — For legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1521.

**Legislative history of Law 9-145.** — For legislative history of D.C. Law 9-145, see Historical and Statutory Notes following § 47-1508.

**Legislative history of Law 13-38.** — Law 13-38, the “Service Improvement and Fiscal

Year 2000 Budget Support Act of 1999,” was introduced in Council and assigned Bill No. 13-161, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on May 11, 1999, and June 22, 1999, respectively. Signed by the Mayor on July 8, 1999, it was assigned Act No. 13-111 and transmitted to both Houses of Congress for its review. D.C. Law 13-38 became effective on October 20, 1999.

**Legislative history of Law 17-123.** — For Law 17-123, see notes following § 47-812.

## § 47-1523. Reporting requirement; valuation of property.

(a) The full and true value and the current value of tangible personal property, including taxable leasehold improvements, having a taxable situs in the District shall be reported on the return. The full and true value shall be the original costs of the tangible personal property in an arms-length transaction, computed as of July 1st of the tax year. The current value of the tangible personal property shall be the full and true value less a reasonable allowance for straight line depreciation in accordance with rules promulgated by the Mayor and the provisions under subsections (b), (c), (d), and (e) of this section. Tangible personal property items with a useful life of one year or less shall be reported at cost. No proration of value shall be permitted in anticipation of the disposition of an item of tangible personal property. In no event shall the current value reported be less than 25% of the original cost or exchange value of the tangible personal property, except as permitted under subsection (b) of this section.

(b) Qualified technological equipment shall be depreciated at the rate of 30% per year, and shall not be depreciated to a value less than 10% of original cost or exchange value.

(c) For personal property tax years beginning July 1, 2000, taxpayers who acquired qualified technological equipment on or before June 30, 2000, may calculate the current value of those assets as if the depreciation rate provided in subsection (b) of this section was used from the acquisition date; however, there shall be no credit or refund of tax paid in earlier tax years under the prior depreciation rate.

(d) For the purposes of this section:

(1) “Computer” means a programmable electronically activated device that is capable of accepting information, applying prescribed processes to the information, and supplying the results with or without human intervention, and that consists of a central unit containing extensive storage, logic, arithmetic, and control capabilities.

(2) “Qualified technological equipment” means any computer or related peripheral equipment other than the type mentioned in subsection (e)(1) of this section.

(3) “Related peripheral equipment” means any auxiliary machine (whether on-line or off-line) that is designed to be placed under the control of a computer, and operate in conjunction with such computer.

(e) For the purposes of this section:

(1) "Computer" or "related peripheral equipment" shall not include:

(A) Any equipment that is an integral part of other property that is not a computer;

(B) Typewriters, calculators, adding and accounting machines, copiers, duplicating equipment, and similar devices;

(C) Equipment of a kind primarily used for amusement or entertainment of the user;

(D) Mainframe computers that are capable of simultaneously supporting multiple transactions and multiple users, and having an original cost in excess of \$500,000; including any additional memory units, tape drives, disk drives, power supplies, cooling units, and communication controllers that are related peripheral equipment to such computers; or

(E) Computers used in operating industrial processing equipment, equipment used in a computer assisted manufacturing system, equipment used in computer assisted design or engineering system integral to an industrial process, or subunit or electronic assembly comprising a component in a computer integrated industrial processing system.

(Feb. 28, 1987, D.C. Law 6-212, § 4, 34 DCR 850; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Oct. 20, 1999, D.C. Law 13-38, § 2702(e), 46 DCR 6373.)

**Prior Codifications.** — 1981 Ed., § 47-1523.

**Effect of amendments.** — D.C. Law 13-38 rewrote this section adding thereto provisions comprising the exception at the end of subsec. (a) and added the provisions contained in subsections. (b) through (e).

**Emergency legislation.** — For temporary (90-day) amendment of section, see §§ 2702(e) and 2703(b) of the Service Improvement and

Fiscal Year 2000 Budget Support Emergency Act of 1999 (D.C. Act 13-110, July 28, 1999, 46 DCR 6320).

**Legislative history of Law 6-212.** — For legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1521.

**Legislative history of Law 13-38.** — For Law 13-38, see notes following § 47-1522.

## § 47-1524. Form of tax return; filing; extensions.

(a) The form of the personal property tax return shall be prescribed by the Mayor and the return shall conveniently document the information that the Mayor considers necessary for the proper administration of the District personal property tax system.

(b) The taxpayer shall not file the return before July 1st, but shall file the return before August 1st, of the tax year. The total amount of tax required to be shown on the return is due at the time the return is required to be filed.

(c) The Mayor may grant a reasonable extension of time for filing a return when good cause for the extension exists. Any request for an extension of time for filing a return shall be in writing, made before August 1st of the tax year, and accompanied by payment of the tax.

(d) The extension permitted under subsection (c) of this section shall not be granted for more than 3 months after July 31st of the tax year.



(Feb. 28, 1987, D.C. Law 6-212, § 5, 34 DCR 850; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-1522.

**Prior Codifications.** — 1981 Ed., § 47-1524.

**Legislative history of Law 6-212.** — For legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1521.

## § 47-1525. Filing returns; notice to party; records; examination. [Repealed].

Repealed.

(Feb. 28, 1987, D.C. Law 6-212, § 6, 34 DCR 850; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(q)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1525.

**Legislative history of Law 6-212.** — For legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1521.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Section 410(d) of D.C. Law 13-305 provided: "Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000."

## § 47-1526. Assessment; collection; deadline; fraudulent returns; extensions. [Repealed].

Repealed.

(Feb. 28, 1987, D.C. Law 6-212, § 7, 34 DCR 850; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(q)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1526.

**Legislative history of Law 6-212.** — For legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1521.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Section 410(d) of D.C. Law 13-305 provided: "Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000."

## § 47-1527. Failure to file or fraudulent return; collection and enforcement.

(a) If a person fails to make or file a return required or files a fraudulent return, the Mayor shall make the return for the person based upon information that the Mayor may obtain through testimony or other sources.

(b) A return made according to subsection (a) of this section and signed by the Mayor shall be sufficient for all purposes related to the collection and enforcement of the personal property tax.

(Feb. 28, 1987, D.C. Law 6-212, § 8, 34 DCR 850; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1527.

legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1521.

**Legislative history of Law 6-212.** — For

## § 47-1528. Deficiency; request for hearing.

Assessments of any deficiencies in the tax due under this chapter, or any interest and penalties thereon, shall be governed by § 47-4312.

(Feb. 28, 1987, D.C. Law 6-212, § 9, 34 DCR 850; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Dec. 7, 2004, D.C. Law 15-217, § 4(a), 51 DCR 9126; Mar. 2, 2007, D.C. Law 16-191, § 48(j), 53 DCR 6794.)

**Prior Codifications.** — 1981 Ed., § 47-1528.

**Effect of amendments.** — D.C. Law 15-217 rewrote the section.

D.C. Law 16-191 repealed section 79 of D.C. Law 15-354 which had amended this section.

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 3(a) of Office of Administrative Hearings Establishment Emergency Amendment Act of 2004 (D.C. Act 15-513, August 2, 2004, 51 DCR 8976).

For temporary (90 day) amendment of section, see § 3(a) of Office of Administrative Hearings Establishment Congressional Review Emergency Amendment Act of 2004 (D.C. Act 15-553, October 26, 2004, 51 DCR 10359).

**Legislative history of Law 6-212.** — For

legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1521.

**Legislative history of Law 15-217.** — Law 15-217, the “Office of Administrative Hearings Establishment Amendment Act of 2004”, was introduced in Council and assigned Bill No. 15-817, which was referred to the Committee on the Judiciary. The Bill was adopted on first and second readings on June 29, 2004, and July 13, 2004, respectively. Signed by the Mayor on August 2, 2004, it was assigned Act No. 15-522 and transmitted to both Houses of Congress for its review. D.C. Law 15-217 became effective on December 7, 2004.

**Legislative history of Law 16-191.** — For Law 16-191, see notes following § 47-308.02.

## § 47-1529. Acceleration of due date; distraint of taxpayer’s property. [Repealed].

Repealed.

(Feb. 28, 1987, D.C. Law 6-212, § 10, 34 DCR 850; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(r)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1529.

**Legislative history of Law 6-212.** — For legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1521.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor’s notes.** — Section 410(e) of D.C. Law 13-305 provided: “Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x) through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001.”

## § 47-1530. Personal debt liability; priority; collection; “person” defined. [Repealed].

Repealed.



(Feb. 28, 1987, D.C. Law 6-212, § 11, 34 DCR 850; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(r)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1530.

**Legislative history of Law 6-212.** — For legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1521.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Section 410(e) of D.C. Law 13-305 provided: "Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x) through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001."

## § 47-1531. Failure to file; fraudulent return; penalties and interest. [Repealed].

Repealed.

(Feb. 28, 1987, D.C. Law 6-212, § 12, 34 DCR 850; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(s)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1531.

**Legislative history of Law 6-212.** — For legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1521.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Section 410(d) of D.C. Law 13-305 provided: "Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000."

## § 47-1532. Overpayment; credit or refund; time for filing; interest. [Repealed].

Repealed.

(Feb. 28, 1987, D.C. Law 6-212, § 13, 34 DCR 850; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(s)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1532.

**Legislative history of Law 6-212.** — For legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1521.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Section 410(d) of D.C. Law 13-305 provided: "Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000."

## § 47-1533. Appeal from assessment or denial of claim for refund.

Any person aggrieved by any assessment of a deficiency in tax and any person aggrieved by the denial of a claim for refund may, within 6 months from the date of the assessment of the deficiency or from the date of the denial of a

claim for refund, as the case may be, appeal to the Superior Court of the District of Columbia, in the same manner and to the same extent as set forth in §§ 47-3303, 47-3304, 47-3306, 47-3307, and 47-3308.

(Feb. 28, 1987, D.C. Law 6-212, § 14, 34 DCR 850; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1533. legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1521.

**Legislative history of Law 6-212.** — For

## § 47-1534. Violations; penalties; prosecutions. [Repealed].

Repealed.

(Feb. 28, 1987, D.C. Law 6-212, § 15, 34 DCR 850; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Oct. 4, 2000, D.C. Law 13-204, § 2(c), 47 DCR 5799.)

**Prior Codifications.** — 1981 Ed., § 47-1534.

**Legislative history of Law 6-212.** — For legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1521.

**Legislative history of Law 13-204.** — Law 13-204, the “Criminal Tax Reorganization Act of 2000”, was introduced in Council and as-

signed Bill No. 13-299, which was referred to the Committee on the Judiciary. The Bill was adopted on first and second readings on May 3, 2000, and June 6, 2000, respectively. Signed by the Mayor on June 22, 2000, it was assigned Act No. 13-359 and transmitted to both Houses of Congress for its review. D.C. Law 13-204 became effective on October 4, 2000.

## § 47-1535. Rules; powers of Mayor.

(a) The Mayor shall issue rules to implement the provisions of this subchapter pursuant to subchapter I of Chapter 5 of Title 2.

(b) In addition to the other powers granted the Mayor under this subchapter, the Mayor may:

- (1) For reasonable cause, waive penalties and interest in whole or in part;
- (2) Compromise disputed claims in regard to the personal property tax whenever any doubt arises as to the liability or collectability of the tax; and
- (3) Request information from the Internal Revenue Service of the Treasury Department of the United States regarding any person for the purpose of assessing the personal property tax.

(Feb. 28, 1987, D.C. Law 6-212, § 16, 34 DCR 850; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1535.

**Legislative history of Law 6-212.** — For legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1521.

**Delegation of Authority.** — Delegation of authority pursuant to Law 6-212, see Mayor’s Order 87-222, September 28, 1987.

Delegation of authority pursuant to Law 6-212, see Mayor’s Order 87-222, September 28, 1987.

## § 47-1536. Enforcement. [Repealed].

Repealed.



(Feb. 28, 1987, D.C. Law 6-212, § 25, 34 DCR 850; Feb. 5, 1994, D.C. Law 10-68, § 43(a), 40 DCR 6311; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(u)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1536.

**Legislative history of Law 6-212.** — For legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1521.

**Legislative history of Law 10-68.** — For legislative history of D.C. Law 10-68, see Historical and Statutory Notes following § 47-1509.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

CHAPTER 16. ENFORCEMENT OF PERSONAL PROPERTY TAXES BY  
DISTRAINT OR LEVY [REPEALED].

Sec.

47-1601 to 47-1605. [Repealed].

§ 47-1601. Distraint of goods and chattels authorized; levy  
and sale of land; advertisement of personal  
property sale; public auction; report and au-  
dit; disposition of surplus. [Repealed].

Repealed.

(July 1, 1902, 32 Stat. 621, ch. 1352, § 6, par. 12(a); Feb. 28, 1987, D.C. Law 6-212, § 19(b), 34 DCR 850; Feb. 5, 1994, D.C. Law 10-68, § 44, 40 DCR 6311; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(v)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1601.

1973 Ed., § 47-1301.

**Legislative history of Law 6-212.** — Law 6-212, the “Personal Property Tax Amendment Act of 1986,” was introduced in Council and assigned Bill No. 6-100, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 25, 1986 and December 16, 1986, respectively. Signed by the Mayor on January 8, 1987, it was assigned Act No. 6-272 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 10-68.** — Law 10-68, the “Technical Amendments Act of 1993,”

was introduced in Council and assigned Bill No. 10-166, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on June 29, 1993, and July 13, 1993, respectively. Signed by the Mayor on August 23, 1993, it was assigned Act No. 10-107 and transmitted to both Houses of Congress for its review. D.C. Law 10-68 became effective on February 5, 1994.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor’s notes.** — Section 410(e) of D.C. Law 13-305 provided: “Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x)through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001.”

§ 47-1602. Storage of distrained property; manner of sale.  
[Repealed].

Repealed.

(July 1, 1902, 32 Stat. 621, ch. 1352, § 6, par. 12(b); Apr. 28, 1904, 33 Stat. 564, ch. 1815; Feb. 28, 1987, D.C. Law 6-212, § 19(b), 34 DCR 850; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(v)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1602.

1973 Ed., § 47-1302.

**Legislative history of Law 6-212.** — For legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1601.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor’s notes.** — Section 410(e) of D.C. Law 13-305 provided: “Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x)through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001.”



**§ 47-1603. Violations of certain provisions. [Repealed].**

Repealed.

(July 1, 1902, 32 Stat. 622, ch. 1352, § 6, par. 18; Apr. 1, 1942, 56 Stat. 190, ch. 207, § 1; July 8, 1963, 77 Stat. 77, Pub. L. 88-60, § 1; July 29, 1970, 84 Stat. 570, Pub. L. 91-358, title I, § 155(a); enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Mar. 24, 1998, D.C. Law 12-81, § 59(d), 45 DCR 745; June 9, 2001, D.C. Law 13-305, § 406(v)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1603.

1973 Ed., § 47-1303.

**Legislative history of Law 12-81.** — Law 12-81, the “Technical Amendments Act of 1998,” was introduced in Council and assigned Bill No. 12-408, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 4, 1997, and December 4, 1997, respectively. Signed by the Mayor on December 22, 1997, it was assigned

Act No. 12-246 and transmitted to both Houses of Congress for its review. D.C. Law 12-81 became effective on March 24, 1998.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor’s notes.** — Section 410(e) of D.C. Law 13-305 provided: “Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x)through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001.”

**§ 47-1604. Available remedies for collection of taxes and assessments. [Repealed].**

[Repealed].

(Feb. 18, 1929, 45 Stat. 1226, ch. 259, § 1; July 29, 1970, 84 Stat. 582, Pub. L. 91-358, title I, § 161(h)(1); enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Mar. 24, 1998, D.C. Law 12-81, § 59(e), 45 DCR 745; June 9, 2001, D.C. Law 13-305, § 406(v)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1604.

1973 Ed., § 47-1304.

**Legislative history of Law 12-81.** — For legislative history of D.C. Law 12-81, see Historical and Statutory Notes following § 47-1603.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor’s notes.** — Section 410(e) of D.C. Law 13-305 provided: “Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x)through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001.”

**§ 47-1605. Sale of real estate under court decree. [Repealed].**

Repealed.

(Feb. 18, 1929, 45 Stat. 1226, ch. 259, § 2; July 29, 1970, 84 Stat. 582, Pub. L. 91-358, title I, § 161(h)(2); enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(v)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1605.

1973 Ed., § 47-1305.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor’s notes.** — Section 410(e) of D.C. Law 13-305 provided: “Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x)through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001.”

CHAPTER 17. ENFORCEMENT OF PERSONAL PROPERTY TAXES BY  
ACQUISITION OF LIEN [REPEALED].

Sec.

47-1701 to 47-1712. [Repealed].

§ 47-1701. Examinations of books and persons; failure to  
obey summons or produce books; prosecu-  
tions. [Repealed].

Repealed.

(Aug. 17, 1937, 50 Stat. 673, ch. 690, title I, § 1; May 16, 1938, 52 Stat. 356, ch. 223, § 1; Apr. 1, 1942, 56 Stat. 190, ch. 207, § 1; June 25, 1948, 62 Stat. 991, ch. 646, § 32(a), (b); May 24, 1949, 63 Stat. 107, ch. 139, § 127; July 8, 1963, 77 Stat. 77, Pub. L. 88-60, § 1; July 29, 1970, 84 Stat. 570, 573, Pub. L. 91-358, title I, § 155(a), (c)(49)(A); Feb. 28, 1987, D.C. Law 6-212, § 18(a), 34 DCR 850; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(v)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1701.

1973 Ed., § 47-1401.

**Legislative history of Law 6-212.** — Law 6-212, the “Personal Property Tax Amendment Act of 1986,” was introduced in Council and assigned Bill No. 6-100, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 25, 1986 and December 16, 1986, respectively. Signed by the Mayor on January

8, 1987, it was assigned Act No. 6-272 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor’s notes.** — Section 410(e) of D.C. Law 13-305 provided: “Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x)through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001.”

§ 47-1702. Distraint of personal property — Authority to  
levy and sell; report and audit; disposition of  
surplus. [Repealed].

Repealed.

(Aug. 17, 1937, 50 Stat. 673, ch. 690, title I, § 2; Feb. 28, 1987, D.C. Law 6-212, § 18(b), 34 DCR 850; Apr. 30, 1988, D.C. Law 7-104, § 41(a), 35 DCR 147; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(v)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1702.

1973 Ed., § 47-1402.

**Legislative history of Law 6-212.** — For legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1701.

**Legislative history of Law 7-104.** — Law 7-104, the “Technical Amendments Act of 1987,” was introduced in Council and assigned Bill No. 7-346, which was referred to the Committee of the Whole. The Bill was adopted on first and

second readings on November 24, 1987, and December 8, 1987, respectively. Signed by the Mayor on December 22, 1987, it was assigned Act No. 7-124 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor’s notes.** — Section 410(e) of D.C. Law 13-305 provided: “Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x)through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001.”



**§ 47-1703. Distraint of personal property — Persons required to surrender property or rights. [Repealed].**

Repealed.

(Aug. 17, 1937, 50 Stat. 674, ch. 690, title I, § 3; Feb. 28, 1987, D.C. Law 6-212, § 18(c), 34 DCR 850; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(v)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1703.

1973 Ed., § 47-1403.

**Legislative history of Law 6-212.** — For legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1701.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Section 410(e) of D.C. Law 13-305 provided: "Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x)through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001."

**§ 47-1704. Distraint of personal property — Liability for failure or refusal to surrender. [Repealed].**

Repealed.

(Aug. 17, 1937, 50 Stat. 674, ch. 690, title I, § 4; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(v)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1704.

1973 Ed., § 47-1404.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Section 410(e) of D.C. Law 13-305 provided: "Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x)through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001."

**§ 47-1705. Distraint of personal property — Persons required to exhibit books. [Repealed].**

Repealed.

(Aug. 17, 1937, 50 Stat. 674, ch. 690, title I, § 5; Apr. 1, 1942, 56 Stat. 190, ch. 207, § 1; July 8, 1963, 77 Stat. 77, Pub. L. 88-60, § 1; July 29, 1970, 84 Stat. 570, Pub. L. 91-358, title I, § 155(a); Feb. 28, 1987, D.C. Law 6-212, § 18(d), 34 DCR 850; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(v)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1705.

1973 Ed., § 47-1405.

**Legislative history of Law 6-212.** — For legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1701.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Section 410(e) of D.C. Law 13-305 provided: "Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x)through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001."

**§ 47-1706. Creation and enforcement of lien. [Repealed].**

Repealed.

(Aug. 17, 1937, 50 Stat. 674, ch. 690, title I, § 6; June 25, 1948, 62 Stat. 991, ch. 646, § 32(b); May 24, 1949, 63 Stat. 107, ch. 139, § 127; July 5, 1966, 80 Stat. 266, Pub. L. 89-493, § 18; July 29, 1970, 84 Stat. 573, Pub. L. 91-358, title I, § 155(c)(49)(B); Feb. 28, 1987, D.C. Law 6-212, § 18(e), 34 DCR 850; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(v)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1706.

1973 Ed., § 47-1406.

**Legislative history of Law 6-212.** — For legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1701.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Section 410(e) of D.C. Law 13-305 provided: "Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x) through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001."

## § 47-1707. Recoveries for wrongful distraints. [Repealed].

Repealed.

(Aug. 17, 1937, 50 Stat. 675, ch. 690, title I, § 7; Feb. 28, 1987, D.C. Law 6-212, § 18(f), 34 DCR 850; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(v)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1707.

1973 Ed., § 47-1407.

**Legislative history of Law 6-212.** — For legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1701.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Section 410(e) of D.C. Law 13-305 provided: "Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x) through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001."

## § 47-1708. Time for assessments and collections. [Repealed].

Repealed.

(Feb. 28, 1987, D.C. Law 6-212, § 22, 34 DCR 850.)

**Prior Codifications.** — 1981 Ed., § 47-1708.

**Legislative history of Law 6-212.** — For

legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1701.

## § 47-1709. Remedies for collection. [Repealed].

Repealed.

(Aug. 17, 1937, 50 Stat. 675, ch. 690, title I, § 9; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(v)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1709.

1973 Ed., § 47-1409.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Section 410(e) of D.C. Law 13-305 provided: "Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x) through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001."



## § 47-1710. Failure or refusal to file required return or schedule. [Repealed].

Repealed.

(Feb. 28, 1987, D.C. Law 6-212, § 22, 34 DCR 850.)

**Prior Codifications.** — 1981 Ed., § 47-1710. legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1701.

**Legislative history of Law 6-212.** — For 1701.

## § 47-1711. Definitions. [Repealed].

Repealed.

(Aug. 17, 1937, 50 Stat. 675, ch. 690, title I, § 11; May 16, 1938, 52 Stat. 357, ch. 223, § 1(c); enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(v)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1711.

1973 Ed., § 47-1411.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Section 410(e) of D.C. Law 13-305 provided: "Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x) through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001."

## § 47-1712. Secrecy of returns. [Repealed].

Repealed.

(Aug. 17, 1937, 50 Stat. 675, ch. 690, title I, § 12; May 16, 1938, 52 Stat. 357, ch. 223, § 1(c); Feb. 28, 1987, D.C. Law 6-212, § 18(g), 34 DCR 850; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(v)(2), 48 DCR 334.)

**Cross references.** — Prisons, industrial work programs, taxable income, see § 24-231.11.

Relocation assistance, taxation of relocation and housing assistance payments, see § 42-3403.05.

**Prior Codifications.** — 1981 Ed., § 47-1712.

1973 Ed., § 47-1412.

**Effect of amendments.** — D.C. Law 14-213 made a technical change in item § 47-1806.09b.

**Legislative history of Law 6-212.** — For

legislative history of D.C. Law 6-212, see Historical and Statutory Notes following § 47-1701.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 14-213.** — For Law 14-213, see notes following § 47-820.

**Editor's notes.** — Section 410(e) of D.C. Law 13-305 provided: "Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x) through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001."

## CHAPTER 18. INCOME AND FRANCHISE TAXES.

*Subchapter I. Repeal of Prior Income Tax Law and Applicability of Subchapter; General Definitions*

Sec.

- 47-1801.01. Repeal of the District of Columbia Income Tax Act of 1939 for certain purposes.
- 47-1801.01a. Effect of repeal or amendment.
- 47-1801.02. Applicability of provisions — Taxable years.
- 47-1801.03. Applicability of provisions — Returns and payments.
- 47-1801.04. General definitions.
- 47-1801.05. [Transferred].

*Subchapter II. Exempt Organizations*

- 47-1802.01. Exempt organizations — In general.
- 47-1802.02. Exempt organizations — Regulations.
- 47-1802.03. Exempt organizations — Applicability of provisions.
- 47-1802.04. Exempt organizations — Political organizations.

*Subchapter III. Net Income, Gross Income and Exclusions Therefrom, and Deductions*

- 47-1803.01. "Net income" defined.
- 47-1803.02. Gross income — Items included and excluded; "adjusted gross income" defined.
- 47-1803.03. Gross income — Deductions.

*Subchapter IV. Accounting Periods, Installment Sales, and Inventories*

- 47-1804.01. Accounting periods — Computation of income.
- 47-1804.02. Accounting periods — Period in which items of gross income included.
- 47-1804.03. Accounting periods — Period for which deductions and credits taken.
- 47-1804.04. Income from installment sales.
- 47-1804.05. Inventories.
- 47-1804.06. Authority to reject returns.
- 47-1804.07. Amount.

*Subchapter V. Returns*

- 47-1805.01. Returns — Forms.
- 47-1805.02. Returns — Persons required to file.
- 47-1805.02a. Combined reporting.
- 47-1805.03. Returns — Filing.
- 47-1805.04. Returns — Divulgence of information.
- 47-1805.05. Returns — Certification by Qualified High Technology Company.

*Subchapter VI. Tax on Residents and Nonresidents*

Sec.

- 47-1806.01. Tax on residents and nonresidents — "Taxable income" defined.
- 47-1806.02. Tax on residents and nonresidents — Personal exemptions.
- 47-1806.03. Tax on residents and nonresidents — Imposition and rates.
- 47-1806.04. Tax on residents and nonresidents — Credits — In general.
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## *Subchapter I. Repeal of Prior Income Tax Law and Applicability of Subchapter; General Definitions.*

## § 47-1801.01. Repeal of the District of Columbia Income Tax Act of 1939 for certain purposes.

The District of Columbia Income Tax Act of 1939 is hereby repealed with respect to taxable years or portions thereof beginning on and after the first day of January 1947 for all purposes, except the following purposes in connection with taxes due or accrued under said Act:

(1) For the imposition of assessments and penalties, civil and criminal, for the violation of, or failure to comply with, any provisions of such Act and the regulations prescribed thereunder;

(2) For requiring the making, filing, and submission of returns and reports required by such Act;

(3) For the examination of all books, records, and other documents, and witnesses;

(4) For the assessment and collection of the taxes imposed by such Act and the filing of liens therefor; and

(5) For the allowance of refunds of overpayments of any taxes assessed under the provisions of such Act.



(July 16, 1947, 61 Stat. 331, ch. 258, art. I, title I, § 1; enacted Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in §§ 42-3403.05 and 47-1810.01.

**Prior Codifications.** — 1981 Ed., § 47-1801.1.

1973 Ed., § 47-1551.

**Temporary Amendment of Section.** — For temporary (225 day) prohibition of increase of certain taxes, see § 2 of Economic Recovery Conformity Temporary Act of 1996 (D.C. Law 11-216, April 9, 1997, law notification 44 DCR 2574).

**Emergency legislation.** — For temporary prohibition, on an emergency basis, of the increase in the individual income tax, the sales and use tax, and real property tax rates contingent on the enactment of an act of Congress which would reduce the percentage of federal income tax applicable solely to residents of D.C. under the Internal Revenue Code of 1986, see § 2 of the Economic Recovery Conformity Emergency Act of 1996 (D.C. Act 11-377, August 28, 1996, 43 DCR 4797).

### CASE NOTES

#### Power of Congress.

Congress was constitutionally empowered to enact the District of Columbia Income and Franchise Act of 1947 imposing an income tax on individuals residing in district, notwithstanding that they had no elected representa-

tives in Congress. U.S. Const. art. 1, § 8, cl. 17; D.C. Code § 47-1551 et seq. *Breakefield v. District of Columbia*, 442 F.2d 1227, 1970 U.S. App. LEXIS 7806 (C.A.D.C. 1970), writ of certiorari denied by 401 U.S. 909, 91 S. Ct. 871, 27 L. Ed. 2d 807, 1971 U.S. LEXIS 3116 (1971).

## § 47-1801.01a. Effect of repeal or amendment.

(a) *Existing rights and liabilities.* — Unless otherwise provided by law, the repeal or amendment of any provision of this chapter shall not affect any act done or any right accruing or accrued, or any suit or proceeding had or commenced in any civil cause before such repeal or amendment, but all rights and liabilities under such chapter shall continue, and may be enforced in the same manner and to the same extent, as if such repeal or amendment had not been made.

(b) *Crimes and penalties.* — All offenses committed, and penalties incurred, under any provision of law repealed or amended, may be prosecuted and punished in the same manner and with the same effect as if the repeal or amendment had not been enacted.

(July 16, 1947, ch. 258, art. I, title I, § 1A, formerly June 11, 1982, D.C. Law 4-118, § 204, 29 DCR 1770; renumbered and amended Oct. 1, 1987, D.C. Law 7-29, § 5, 34 DCR 5097; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-1810.01.

**Prior Codifications.** — 1981 Ed., § 47-1801.1a.

**Legislative history of Law 4-118.** — Law 4-118, the "District of Columbia Individuals, Estates, and Trusts Federal Conformity Tax Act of 1982," was introduced in Council and assigned Bill No. 4-148, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on March 9, 1982 and March 23, 1982, respectively. Signed by the Mayor on April 23, 1982, it

was assigned Act No. 4-181 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 7-29.** — Law 7-29, "D.C. Income and Franchise Tax Conformity and Revision Amendment Act of 1987," was introduced in Council and assigned Bill No. 7-183, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 16, 1987 and June 30, 1987, respectively. Signed by the Mayor on July 17, 1987, it was assigned Act No. 7-51 and transmitted to both Houses of Congress for its review.

## § 47-1801.02. Applicability of provisions — Taxable years.

The provisions of this chapter shall apply to the taxable year or part thereof beginning on the 1st day of January 1947 and to succeeding taxable years.

(July 16, 1947, 61 Stat. 331, ch. 258, art. I, title I, § 2; Mar. 24, 1998, D.C. Law 12-81, § 58, 45 DCR 745.)

**Section references.** — This section is referred to in § 47-1810.01.

**Prior Codifications.** — 1981 Ed., § 47-1801.2.

1973 Ed., § 47-1551a.

**Legislative history of Law 12-81.** — Law 12-81, the “Technical Amendments Act of 1998,” was introduced in Council and assigned Bill

No. 12-408, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 4, 1997, and December 4, 1997, respectively. Signed by the Mayor on December 22, 1997, it was assigned Act No. 12-246 and transmitted to both Houses of Congress for its review. D.C. Law 12-81 became effective on March 24, 1998.

## § 47-1801.03. Applicability of provisions — Returns and payments.

If the taxable year of any person ends on the last day of any month other than December prior to the first day of January 1947, such person shall file his return for such taxable year under the provisions of former subchapter I, and pay the taxes imposed by said sections on his income for such taxable year at the times specified therefor in said sections. Such taxpayer shall also file his return of income, received or accrued, according to his method of accounting, during the period between the last day of such taxable year and the first day of January 1947 under the provisions of former subchapter I, and pay the taxes imposed by said sections on his income for such period at the times specified therefor in said sections. Such portion of such person’s income as is received or accrued, according to his method of accounting, during taxable years or parts thereof to which this chapter is applicable shall be reported and taxed under the provisions of this chapter; provided, however, that any person whose taxable year ends subsequent to the first day of January 1947 may irrevocably elect to file his return of his income for such entire taxable year and pay the taxes imposed thereon under the provisions of this chapter.

(July 16, 1947, 61 Stat. 331, ch. 258, art. I, title I, § 3; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-1810.01.

**Prior Codifications.** — 1981 Ed., § 47-1801.3.

1973 Ed., § 47-1551b.

**References in text.** — “Former subchapter

I,” referred to near the middle of the first and second sentences, means the District of Columbia Income Tax Act of 1939, as amended, which was repealed by 61 Stat. 331, ch. 258, § 1, approved July 16, 1941.

## § 47-1801.04. General definitions.

For the purposes of this chapter, unless otherwise required by the context, the term:

(1) “Affiliated group” means an affiliated group as defined in section 1504 of the Internal Revenue Code of 1986; provided, that the affiliated group shall



not include any corporation that does not have gross income derived from sources within the District.

(2) “Aggregated effective tax rate” means the sum of the effective rates of tax imposed by the District of Columbia, states, or possessions of the United States, and foreign nations that have entered into comprehensive tax treaties with the United States government, where a related member receiving a payment of interest expense or intangible expense is subject to tax and where the measure of the tax imposed included the payment.

(3) “Apportioned net operating loss” means the net operating loss generated in the year of the loss multiplied by the District of Columbia’s apportionment formula for the loss year.

(4) “Blind” means a taxpayer whose central visual acuity does not exceed 20/200 in the better eye with correcting lenses or whose visual acuity is greater than 20/200 but is accompanied by a limitation in the field of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees.

(5) “Business income” means all income that is apportionable under the Constitution of the United States.

(6)(A) “Capital asset” means property defined or treated as a capital asset under the Internal Revenue Code of 1986.

(B) For the purpose of computing for any taxable year, the tax imposed under this chapter with respect to sales or other dispositions of property referred to in subparagraph (A) of this paragraph, the provisions of the Internal Revenue Code of 1986 relating to the treatment of gains and losses (other than the alternative tax imposed by section 1201 of the Internal Revenue Code of 1986) shall apply.

(7) “Combined group” means the group of all persons whose income and apportionment factors are required to be taken into account pursuant to § 47-1805.02(a)(a) [§ 47-1805.02a(a)] and (b) in determining the taxpayer’s share of the net business income or loss apportionable to the District.

(8) “Commercial domicile” means the principal place from which the trade or business of the taxpayer is directed or managed.

(9) “Compensation” means wages, salaries, commissions, and any other form of remuneration paid to employee for personal services.

(10) “Corporation” means:

(A) Any entity or organization of any kind treated as a corporation for tax purposes under the laws of the District, wherever located, which, were it doing business in the District, would be subject to the tax imposed by this chapter;

(B) The business conducted by a partnership that is directly or indirectly held by a corporation, which shall be considered the business of the corporation to the extent of the corporation’s distributive share of the partnership income, inclusive of guaranteed payments to the extent prescribed by regulation; and

(C) A joint-stock company, trust, and any association or other organization that is taxable as a corporation under federal income tax law.

(11)(A) “Cost-of-living adjustment” means an amount, for any calendar year, equal to the dollar amount set forth in paragraph (44)(A) and (B) of this

section or § 47-1806.02(f)(1)(A) and (i) multiplied by the percentage that the Consumer Price Index for the preceding calendar year that exceeds the Consumer Price Index for the calendar year beginning January 1, 2007.

(B) For the purposes of this paragraph, the Consumer Price Index for any calendar year is the average of the Consumer Price Index for the Washington-Baltimore Metropolitan Statistical Area for all-urban consumers published by the Department of Labor, or any successor index, as of the close of the 12-month period ending on July 31 of such calendar year.

(12) "Deficiency" with respect to any tax imposed by this chapter means:

(A) The amount or amounts by which the tax imposed by this chapter, as determined by the Mayor, exceeds the amount shown as the tax by the taxpayer upon his return; or

(B) The amount assessed as a tax by the Mayor if no return is filed by the taxpayer.

(13) "Dependent" means a dependent as defined in section 152 of the Internal Revenue Code of 1986.

(14) "Dividend" means any distribution made by a corporation or financial institution (domestic or foreign) to its stockholders or members, out of its earnings, profits, or surplus, other than paid-in surplus, whenever earned by the corporation or financial institution and whether made in cash or in any other property (other than stock of the same class in the corporation or financial institution, if the recipient of the stock dividend has neither received nor exercised an option to receive the dividend in cash or in property other than stock instead of stock) and whether distributed prior to, during, upon, or after liquidation or dissolution of the corporation or financial institution; except, that in the case of any such distribution, any part of which for purposes of the income tax imposed under the Internal Revenue Code of 1986 is deemed to constitute a capital gain, such part shall be deemed to constitute a capital gain for purposes of the tax imposed by this chapter; provided, that in the case of any dividend that is distributed other than in cash or stock in the same class in the corporation or financial institution and not exempted from tax under this chapter, the basis of tax to the recipient shall be the market value of the property at the time of the distribution; provided further, that a dividend shall not include any dividend paid by a mutual life insurance company to its shareholders.

(15) "Doing business" means any activity of a corporation or financial institution that enjoys the benefits and protection of the government and laws of the District.

(16) "Domestic partners" means persons who have registered their relationship with the District pursuant to § 32-702.

(17) "Employer" means an employer as defined in section 3401(d) of the Internal Revenue Code of 1986.

(18) "Employee" means an individual having a place of abode or residing or domiciled within the District at the time the tax is required to be withheld in respect to the individual's employment by another, and to every other individual who maintains a place of abode within the District for an aggregate of 183 days or more during the taxable year, whether domiciled in the District



or not, including an officer of a corporation, but excluding any elective officer of the government of the United States or any officer or employee in the legislative branch of the government of the United States whose compensation is paid by the Secretary of the Senate or Clerk of the House of Representatives, any officer of the executive branch of the government of the United States whose appointment was made by the President of the United States, subject to confirmation by the Senate of the United States, and whose tenure of office is at the pleasure of the President of the United States, or any Justice of the Supreme Court of the United States, unless the officer, employee, or justice is domiciled within the District of Columbia at any time during the taxable year.

(19) "Fiduciary" means a guardian, trustee, executor, committee, administrator, receiver, conservator, or any other person acting in any fiduciary capacity for any person.

(20) "Financial institution" means any bank or trust company incorporated or required to be incorporated and doing business under the laws of the United States, the District of Columbia, or any state, a substantial part of the business of which consists of receiving deposits and making loans and discounts or of exercising fiduciary powers similar to those permitted to national banks under authority of the Comptroller of the Currency and which is subject by law to supervision and examination by the District or by any state, territorial, or federal authority having supervision over financial institution, including:

(A) Any savings and loan associations; and

(B) Any company, a substantial part of the business of which consists of receiving deposits and making loans and discounts or of exercising fiduciary powers similar to those permitted to national banks under authority of the Comptroller of the Currency, which is organized or created under the laws of a foreign country and which maintains an office or branch in the District.

(21) "Fiscal year" means an accounting period of 12 months ending on any day other than the last day of December and on the basis of which the taxpayer is required to report for federal income tax purposes.

(22) "Head of household" shall have the same meaning as defined in section 2(b) of the Internal Revenue Code of 1986.

(23) "Individual" means all natural persons (other than fiduciaries), whether married, domestic partners, or unmarried.

(24) "Intangible expense" means:

(A) An expense, loss, or cost for, related to, or in connection directly or indirectly with the direct or indirect acquisition, use, maintenance, management, ownership, sale, exchange, or any other disposition of intangible property, to the extent the expense, loss, or cost is allowed as a deduction or cost in determining taxable income for the taxable year under the Internal Revenue Code of 1986;

(B) A loss related to or incurred in connection directly or indirectly with factoring transactions or discounting transactions;

(C) A royalty, patent, technical, or copyright and licensing fee; or

(D) Any other similar expense or cost.

(25) "Intangible property" means patents, patent applications, trade

names, trademarks, service marks, copyrights, and similar types of intangible assets.

(26) "Interest expense" means an amount directly or indirectly allowed as a deduction under section 163 of the Internal Revenue Code of 1986 for purposes of determining taxable income under the Internal Revenue Code of 1986.

(27) "Internal Revenue Code of 1954" means the Internal Revenue Code of 1954, approved April 6, 1954 (68A Stat. 3; 26 U.S.C. § 1 et seq.), as amended through May 24, 1985.

(28) "Internal Revenue Code of 1986" means the Internal Revenue Code of 1986, approved October 22, 1986 (100 Stat. 2085; 26 U.S.C. § 1 et seq.); which provisions shall apply on the same dates that they are effective for federal tax purposes.

(29) "International banking facility" or "IBF" shall have the same meaning as provided in section 204.8(a)(1) of Regulation D of the Board of Governors of the Federal Reserve System, effective December 3, 1981 (12 CFR § 204.8(a)(1)).

(30) "International banking facility extension of credit" or "IBF loan" shall have the same meaning as provided in section 204.8(a)(3) of Regulation D of the Board of Governors of the Federal Reserve System, effective December 3, 1981 (12 CFR § 204.8(a)(3)).

(31) "International Banking Facility time deposit" or "IBF time deposit" shall have the same meaning as provided in section 204.8(a)(2) of Regulation D of the Board of Governors of the Federal Reserve System, effective December 3, 1981 (12 CFR § 204.8(a)(2)).

(32) "Net operating loss" shall have the same meaning as provided in section 172(c) of the Internal Revenue Code of 1986, subject to limitations and modifications provided in this section.

(33) "Net operating loss deduction" means the aggregate of the apportioned net operating loss carryovers to the taxable year.

(34) "Nonbusiness income" means all income other than business income.

(35) "Nonresident" means every individual other than a resident.

(36) "Ownership" in determining the ownership of stock, assets, or net profits of any person, means the constructive ownership of section 318(a) of the Internal Revenue Code of 1986 as modified by section 856(d)(5) of the Internal Revenue Code of 1986.

(37) "Partnership" means a general or limited partnership or organization of any kind that is treated as a partnership for tax purposes under the laws of the District of Columbia.

(38) "Payroll period" means a payroll period as defined in section 3401(b) of the Internal Revenue Code of 1986.

(39) "Person" means any individual, firm, partnership, general partner of a partnership, limited liability company, registered limited liability partnership, foreign limited partnership, association, corporation (whether or not the corporation is, or would be if doing business in the District, subject to this chapter), company, syndicate, estate, trust, business trust, trustee, trustee in bankruptcy, receiver, executor, administrator, assignee, fiduciary, or organization of any kind.



(40) “Related entity” means a person that under the attribution rules of section 318 of the Internal Revenue Code of 1986 is:

(A) A stockholder who is an individual, or a member of the stockholder’s family as enumerated in section 318 of the Internal Revenue Code of 1986, if the stockholder and the members of the stockholder’s family own, directly, indirectly, beneficially, or constructively, in the aggregate, at least 50% of the value of the taxpayer’s outstanding stock;

(B) A stockholder, or a stockholder’s partnership, limited liability company, estate, trust, or corporation, if the stockholder and the stockholder’s partnerships, limited liability companies, estates, trusts, and corporations own directly, indirectly, beneficially, or constructively, in the aggregate, at least 50% of the value of the taxpayer’s outstanding stock; or

(C) A corporation, or a party related to the corporation in a manner that would require an attribution of stock from the corporation to the party or from the party to the corporation under the attribution rules of section 318 of the Internal Revenue Code of 1986 (“party related to the corporation”), if the corporation or party related to the corporation owns, directly, indirectly, beneficially, or constructively, at least 50% of the value of the corporation’s outstanding stock.

(41) “Related member” means:

(A) A person that, with respect to the taxpayer is, at any time during the year, a related entity;

(B) A component member as defined in section 1563(b) of the Internal Revenue Code of 1986;

(C) A controlled group of which the taxpayer is also a component; or

(D) A person to or from whom there is attribution of stock ownership in accordance with section 1563(e) of the Internal Revenue Code of 1986.

(42) “Resident” means an individual domiciled in the District at any time during the taxable year, and every other individual who maintains a place of abode within the District for an aggregate of 183 days or more during the taxable year, whether or not the individual is domiciled in the District, excluding any elective officer of the government of the United States or any employee on the staff of an elected official in the legislative branch of the government of the United States if the employee is a bona fide resident of the state of residence of the elected officer, or any officer of the executive branch of the government of the United States whose appointment was made by the President of the United States and subject to confirmation by the Senate of the United States and whose tenure of office is at the pleasure of the President of the United States, or any Justice of the Supreme Court of the United States, unless the officer, employee, or justice is domiciled within the District at any time during the taxable year. In determining whether an individual is a resident, an individual’s absence from the District for temporary or transitory purposes shall not be regarded as changing his domicile or place of abode.

(43) “Sales” means all gross receipts of the taxpayer that are business income, as that term is defined in this section.

(44) “Standard deduction” means:

(A) The amount of \$4,000, increased annually, beginning January 1, 2013, by the cost-of-living adjustment (if the adjustment does not result in a

multiple of \$50, rounded to the next lowest multiple of \$50), in the case of a return filed by a single individual, by a head of household, by a surviving spouse, or jointly by husband and wife (or domestic partner);

(B) The amount of \$2,000, increased annually, beginning January 1, 2013, by the cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next lowest multiple of \$50), in the case of a married person filing separately; or

(C) In the case of an individual who is a resident, as defined in paragraph (42) of this section, for less than a full 12-month taxable year, the amounts specified in subparagraphs (A) and (B) of this paragraph prorated by the number of months that the individual was a resident.

(45) "State" means any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory, or possession of the United States and any foreign country or political subdivision thereof.

(46) "Subpart F income" shall have the same meaning as provided in section 952 of the Internal Revenue Code of 1986.

(47) "Surviving spouse" shall have the same meaning as provided in section 2(a) of the Internal Revenue Code of 1986; except, that in applying section 2(a) of the Internal Revenue Code of 1986, the term spouse shall be deemed to include a domestic partner.

(48) "Tax" or "tax liability" includes the liability for all amounts owing by a taxpayer to the District under this chapter.

(49) "Tax haven" means a jurisdiction that:

(A) For a particular tax year in question has no, or nominal, effective tax on the relevant income and has laws or practices that prevent effective exchange of information for tax purposes with other governments regarding taxpayers subject to, or benefitting from, the tax regime;

(B) Lacks transparency, which for the purposes of this definition means that the details of legislative, legal, or administrative provisions are not open to public scrutiny and apparent or are not consistently applied among similarly situated taxpayers;

(C) Facilitates the establishment of foreign-owned entities without the need for a local substantive presence or prohibits these entities from having any commercial impact on the local economy;

(D) Explicitly or implicitly excludes the jurisdiction's resident taxpayers from taking advantage of the tax regime's benefits or prohibits enterprises that benefit from the regime from operating in the jurisdiction's domestic market; or

(E)(i) Has created a tax regime which is favorable for tax avoidance, based upon an overall assessment of relevant factors, including whether the jurisdiction has a significant untaxed offshore financial or other services sector relative to its overall economy.

(ii) For the purposes of this definition, the term "tax regime" means a set or system of rules, laws, regulations, or practices by which taxes are imposed on any person, corporation, or entity, or on any income, property, incident, indicia, or activity pursuant to governmental authority.

(50) "Taxable income" means the income of a corporation as defined by the laws of the United States for federal income-tax purposes, adjusted, as



provided in this section; provided, that in the case of a corporation having income from business activity that is taxable outside the District, its District taxable income shall be the portion of its taxable income as allocated or apportioned to the District under the provisions of this chapter.

(51) “Taxable year” means the calendar year or the fiscal year, whichever is the basis upon which the net income of the taxpayer is computed under this section; if no fiscal year has been established by the taxpayer, it means the calendar year. The term “taxable year” includes, in the case of a return made for a fractional part of a calendar or fiscal year under the provisions of this section or under regulations prescribed by the Mayor, the period for which the return is made; provided, that no taxpayer shall change from a calendar year to a fiscal year or from a fiscal year to a calendar year within any taxable year without the written authorization of the Mayor.

(52) “Taxpayer” means any person required by this chapter to pay a tax, file a return, or report or apply for a license.

(53) “Trade or business” means the engaging in or carrying on of any trade, business, profession, vocation, or calling, or commercial activity in the District of Columbia, including activities in the District that benefit an affiliated group of the taxpayer, the performance of functions of a public office, and the leasing of real or personal property in the District of Columbia by any person whether or not the property is leased directly by the person or through an agent, and whether or not the person or agent performs any services in connection with the property.

(54) “United States” means the United States of America and includes all of the states of the United States, the District of Columbia, and United States territories and possessions.

(55)(A) “Unitary business” means a single economic enterprise that is made up either of separate parts of a single business entity or of a commonly controlled group of business entities that are sufficiently interdependent, integrated, and interrelated through their activities so as to provide a synergy and mutual benefit that produces a sharing or exchange of value among them and a significant flow of value to the separate parts.

(B) For the purposes of this chapter, any business conducted by a partnership shall be treated as conducted by its partners, whether directly held or indirectly held through a series of partnerships, to the extent of the partner’s distributive share of the partnership’s income, regardless of the percentage of the partner’s ownership interest or its distributive or any other share of partnership income. A business conducted directly or indirectly by one corporation through its direct or indirect interest in a partnership is unitary with that portion of a business conducted by one or more other corporations through their direct or indirect interest in a partnership if there is a synergy and mutual benefit that produces a sharing or exchange of value among them and a significant flow of value to the separate parts and the corporations are members of the same commonly controlled group.

(56) “Wages” means wages as defined in section 3401(a) of the Internal Revenue Code of 1986.

(57) “Water’s-edge combined group” is comprised of all entities includible in the combined report, as determined pursuant to § 47-1810.07(a).

(58) “Worldwide combined report” means the combination of the income and activities of all members of a unitary group irrespective of the country in which the corporations are incorporated or conduct business activity.

(July 16, 1947, 61 Stat. 332, ch. 258, art. I, title I, § 4; May 3, 1948, 62 Stat. 206, ch. 246, § 1; May 27, 1949, 63 Stat. 129, ch. 146, title IV, §§ 401, 402; March 31, 1956, 70 Stat. 68, ch. 154, § 2; Sept. 19, 1966, 80 Stat. 809, Pub. L. 89-585, § 1; Sept. 30, 1966, 80 Stat. 858, Pub. L. 89-610, title VII, § 703; Oct. 31, 1969, 83 Stat. 176, Pub. L. 91-106, title VI, § 601(a); Oct. 21, 1975, D.C. Law 1-23, title VI, §§ 601(1), (2), 609, 22 DCR 2105, 2106, 2114; Mar. 3, 1979, D.C. Law 2-150, § 2, 25 DCR 7038; Mar. 6, 1979, D.C. Law 2-158, §§ 4, 5, 25 DCR 7002; Sept. 13, 1980, D.C. Law 3-95, § 101, 27 DCR 3509; June 11, 1982, D.C. Law 4-118, § 101, 29 DCR 1770; July 24, 1982, D.C. Law 4-130, § 2, 29 DCR 2412; July 24, 1982, D.C. Law 4-131, § 101, 29 DCR 2418; Sept. 17, 1982, D.C. Law 4-150, § 101, 29 DCR 3377; Oct. 8, 1983, D.C. Law 5-32, § 2, 30 DCR 4013; Mar. 14, 1985, D.C. Law 5-147, § 2(a), 31 DCR 6416; Sept. 5, 1985, D.C. Law 6-16, § 3(b), 32 DCR 3578; Sept. 5, 1985, D.C. Law 6-24, § 2, 32 DCR 3611; May 3, 1986, D.C. Law 6-110, § 2, 33 DCR 1744; June 24, 1987, D.C. Law 7-9, § 2(a), (b), 34 DCR 3283; Oct. 1, 1987, D.C. Law 7-29, § 2(a), 34 DCR 5097; Sept. 21, 1988, D.C. Law 7-141, § 2(a), 35 DCR 5398; May 10, 1989, D.C. Law 7-231, § 49, 36 DCR 492; Sept. 20, 1989, D.C. Law 8-25, § 2, 36 DCR 4721; Sept. 26, 1990, D.C. Law 8-166, § 2, 37 DCR 4829; Aug. 17, 1991, D.C. Law 9-25, § 2, 38 DCR 4196; June 14, 1994, D.C. Law 10-128, § 103(a), 41 DCR 2096; Apr. 9, 1997, D.C. Law 11-182, § 2, 43 DCR 4251; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Nov. 19, 1997, 111 Stat. 2187, Pub. L. 105-100, § 157(c); Oct. 20, 1999, D.C. Law 13-38, § 2702(f), 46 DCR 6373; June 24, 2000, D.C. Law 13-126, § 2, 47 DCR 2643; Oct. 20, 2005, D.C. Law 16-33, § 1046(a), 52 DCR 7503; May 12, 2006, D.C. Law 16-98, § 2(d), 53 DCR 1869; Mar. 14, 2007, D.C. Law 16-292, § 2(a), 54 DCR 1080; Sept. 18, 2007, D.C. Law 17-20, § 1042, 54 DCR 7052; Sept. 12, 2008, D.C. Law 17-231, § 41(e), 55 DCR 6758; Mar. 25, 2009, D.C. Law 17-353, §§ 168(a), 215(b), 56 DCR 1117; Mar. 3, 2010, D.C. Law 18-108, § 2(a), 57 DCR 22; Mar. 3, 2010, D.C. Law 18-111, § 7241(c), 57 DCR 181; Sept. 14, 2011, D.C. Law 19-21, § 8002(b), 58 DCR 6226.)

**Cross references.** — Council of the District of Columbia, limits on taxation authority, “individual” and “resident” defined, see § 1-206.02.

Financial institutions, applicability of personal property taxes, “financial institution” defined, see § 47-2510.

Financial institutions, applicability of real property taxes, “financial institution” defined, see § 47-2514.

Residential real property transfer excise tax, “deficiency” defined, see § 47-1401.

**Section references.** — This section is referred to in §§ 26-635, 47-1803.03, 47-1804.01, 47-1806.08, 47-1806.09, 47-1810.01, 47-1812.08, 47-1816.03, and 47-1817.01.

**Prior Codifications.** — 1981 Ed., § 47-1801.4.

1973 Ed., § 47-1551c.

**Effect of amendments.** — D.C. Law 13-38 added new paragraphs (34), (35), and (36).

D.C. Law 13-126, in par. (28A), in the first sentence, substituted “amended from time to time” for “amended through August 20, 1996”.

D.C. Law 16-33, in par. (26)(A), substituted “\$2,500” for “\$2,000”; and in par. (26)(B), substituted “\$1,250” for “\$1,000”.

D.C. Law 16-98 added par. (16A); in subpar. (26)(A), substituted “\$4,000, increased annually, beginning January 1, 2008, by the cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next



lowest multiple of \$50),” for “\$2,500”; in subpar. (26)(B), substituted “\$2,000, increased annually, beginning January 1, 2008, by the cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next lowest multiple of \$50),” for “\$1,250”.

D.C. Law 16-292, added par. (1A); in par. (4), substituted “whether married, domestic partners, or unmarried” for “whether married or unmarried”; in par. 26, subpar. (A), substituted “spouse, or jointly by husband and wife (or domestic partner)” for “spouse or jointly by husband and wife”; and in par. (27), inserted “; provided that in applying section 2(a) of the Internal Revenue Code of 1986, the term ‘spouse’ shall be deemed to include a domestic partner” following “Internal Revenue Code of 1986”.

D.C. Law 17-20, in subpar. (26)(A), substituted “\$4,000, increased annually, beginning January 1, 2009, by the cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next lowest multiple of \$50),” for “\$2,500”; in subpar. (26)(B), substituted “\$2,000, increased annually, beginning January 1, 2009, by the cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next lowest multiple of \$50),” for “\$1,250”; and added par. (37).

D.C. Law 17-231 added par. (1B).

D.C. Law 17-353 validated previously made technical corrections in pars. (26) and (27), and in par. (37), substituted “paragraph (26)(A) of this section” for “§§ 47-1801.04(26)(A)”, “paragraph (26)(B) of this section” for “47-1801.04(26)(B)”, and “§ 47-1806.02” for “47-1806.02”.

D.C. Law 18-108, in par. (26)(A), substituted “a married couple” for “husband and wife”.

D.C. Law 18-111, in pars. (26)(A) and (B), substituted “beginning January 1, 2013,” for “beginning January 1, 2009.”

D.C. Law 19-21 rewrote the section, which formerly read:

“For the purposes of this chapter and wherever appearing herein, unless otherwise required by the context the term:

“(1) ‘District’ means the District of Columbia.

“(1A) ‘Domestic partners’ means persons who have registered their relationship with the District pursuant to § 32-702.

“(1B) ‘Domestic partnership’ shall have the same meaning as provided in § 32-701(4).

“(2) ‘Mayor’ means the Mayor of the District of Columbia or his duly authorized representative or representatives.

“(3) ‘Person’ means an individual (other than a fiduciary), a fiduciary, a partnership (other than an unincorporated business), an association, an unincorporated business, and a corporation.

“(4) ‘Individual’ means all natural persons (other than fiduciaries), whether married, domestic partners, or unmarried.

“(5) ‘Fiduciary’ means a guardian, trustee, executor, committee, administrator, receiver, conservator, or any other person acting in any fiduciary capacity for any person.

“(6)(A) ‘Trade or business’ means the engaging in or carrying on of any trade, business, profession, vocation or calling, or commercial activity in the District of Columbia, including activities in the District that benefit an affiliated entity of the taxpayer, the performance of the functions of a public office and the leasing of real or personal property in the District of Columbia by any person whether or not the property is leased directly by such person or through an agent, and whether or not such person or agent performs any services in connection with the property; provided, however, that the term ‘trade or business’ shall not include, for the purposes of this chapter, sales of tangible personal property whereby title to such property passes within or without the District, by a corporation or unincorporated business which does not physically have or maintain an office, warehouse, or other place of business in the District, and which has no officer, agent, or representative having an office or other place of business in the District, during the taxable year.

“(B) For purposes of this chapter, the terms ‘agent’ or ‘representative’ shall not include any independent broker engaged independently in regularly soliciting orders in the District for sellers and who holds himself out as such.

“(7) ‘Taxpayer’ means any person required by this chapter to pay a tax, file a return or report, or apply for a license.

“(8) ‘Fiscal year’ mean an accounting period of 12 months ending on the last day of any month other than December.

“(9) ‘Taxable year’ mean the calendar year or the fiscal year, upon the basis of which the net income of the taxpayer is computed under this chapter; if no fiscal year has been established by the taxpayer, they mean the calendar year. The term ‘taxable year’ includes, in the case of a return made for a fractional part of a calendar or fiscal year under the provisions of this chapter or under regulations prescribed by the Mayor, the period for which such return is made; provided, however, that no taxpayer may change from a calendar year to a fiscal year or from a fiscal year to a calendar year within any taxable year without the written permission of the Mayor.

“(10)(A) ‘Capital asset’ means property defined or treated as a capital asset under the Internal Revenue Code of 1986.

“(B) For the purpose of computing for any taxable year the tax imposed under this chapter with respect to sales or other dispositions of

property referred to in subparagraph (A) of this paragraph, the provisions of the Internal Revenue Code of 1986 relating to the treatment of gains and losses (other than the alternative tax imposed by § 1201 of such Code) shall apply.

"(11) 'Dividend' means any distribution made by a corporation or financial institution (domestic or foreign) to its stockholders or members, out of its earnings, profits, or surplus (other than paid-in surplus), whenever earned by the corporation or financial institution and whether made in cash or any other property (other than stock of the same class in the corporation or financial institution if the recipient of such stock dividend has neither received nor exercised an option to receive such dividend in cash or in property other than stock instead of stock) and whether distributed prior to, during, upon, or after liquidation or dissolution of the corporation or financial institution, except that in the case of any such distribution any part of which for purposes of the income tax imposed under the Internal Revenue Code of 1986 is deemed to constitute a capital gain, such part shall be deemed to constitute a capital gain for purposes of the tax imposed by this chapter; provided, however, that in the case of any dividend which is distributed other than in cash or stock in the same class in the corporation or financial institution and not exempted from tax under this chapter, the basis of tax to the recipient thereof shall be the market value of such property at the time of such distribution; and provided, however, that the word 'dividend' shall not include any dividend paid by a mutual life insurance company to its shareholders.

"(12) 'Stock' includes a share in any association, joint-stock company, or insurance company.

"(13) 'Shareholder' includes a member in an association, joint-stock company, or insurance company.

"(14) 'Include,' 'includes,' or 'including,' when used in a definition contained in this chapter, shall not be deemed to exclude other things otherwise within the meaning of the word or words defined.

"(15) 'Deficiency' as used in this chapter with respect to any tax imposed by this chapter means:

"(A) The amount or amounts by which the tax imposed by this chapter as determined by the Mayor exceeds the amount shown as the tax by the taxpayer upon his return; or

"(B) The amount assessed as a tax by the Mayor if no return is filed by the taxpayer.

"(16) 'Corporation' includes any trust, association, joint-stock company, small business corporation as defined in § 1371 of the Internal Revenue Code of 1954 (26 U.S.C. § 1371), in effect as of October 18, 1982, S corporation as defined in § 1361(a) of the Internal Revenue

Code of 1986, partnership that is classed or should be classed as a corporation for purposes of federal income taxation, any entity organized under § 29-401 et seq., or a foreign professional corporation that has obtained a certificate of authority under § 29-414, to render professional services in the District for any taxable year beginning after December 31, 1984.

"(16A) Expired

"(17) 'Resident' means every individual domiciled within the District at any time during the taxable year, and every other individual who maintains a place of abode within the District for an aggregate of 183 days or more during the taxable year, whether or not such other individual is domiciled in the District. The term 'resident' shall not include any elective officer of the government of the United States or any employee on the staff of an elected official in the legislative branch of the government of the United States if such employee is a bona fide resident of the state of residence of such elected officer, or any officer of the executive branch of such government whose appointment to the office held by him was by the President of the United States and subject to confirmation by the Senate of the United States and whose tenure of office is at the pleasure of the President of the United States, or any Justice of the Supreme Court of the United States, unless such officers or Justices are domiciled within the District at any time during the taxable year. In determining whether an individual is a 'resident', such individual's absence from the District for temporary or transitory purposes shall not be regarded as changing his domicile or place of abode.

"(18) 'Nonresident' means every individual other than a resident.

"(19) 'Dependent' means a dependent as defined in § 152 of the Internal Revenue Code of 1986.

"(20) 'Head of household' shall have the same meaning as defined in § 2(b) of the Internal Revenue Code of 1986.

"(21) 'Wages' means wages as defined in § 3401(a) of the Internal Revenue Code of 1986.

"(22) 'Payroll period' means payroll period as defined in § 3401(b) of the Internal Revenue Code of 1986.

"(23) 'Employer' means employer as defined in § 3401(d) of the Internal Revenue Code of 1986.

"(24) 'Employee' shall apply only to an individual having a place of abode or residing or domiciled within the District at the time the tax is required to be withheld in respect to the individual's employment by another, and to every other individual who maintains a place of abode within the District for an aggregate of 183 days or more during the taxable year, whether domiciled in the District or not. The



term 'employee' shall include an officer of a corporation, but shall not include any elective officer of the government of the United States or any officer or employee in the legislative branch of the Government of the United States whose compensation is paid by the Secretary of the Senate or Clerk of the House of Representatives, or any officer of the executive branch of such government whose appointment to the office held by him was by the President of the United States and subject to confirmation by the Senate of the United States and whose tenure of office is at the pleasure of the President of the United States, or any Justice of the Supreme Court of the United States, unless such officers or Justices are domiciled within the District of Columbia at any time during the taxable year.

"(25) 'Financial institution' means any bank or trust company incorporated or required to be incorporated and doing business under the laws of the United States, the District of Columbia, or any state, a substantial part of the business of which consists of receiving deposits and making loans and discounts, or of exercising fiduciary powers similar to those permitted to national banks under authority of the Comptroller of the Currency, and which is subject by law to supervision and examination by the District or by any state, territorial, or federal authority having supervision over financial institutions. The term 'financial institution' includes:

"(A) Any savings and loan associations; and

"(B) Any company, a substantial part of the business of which consists of receiving deposits and making loans and discounts, or of exercising fiduciary powers similar to those permitted to national banks under authority of the Comptroller of the Currency, which company is organized or created under the laws of a foreign country, and which maintains an office or branch in the District.

"(26) 'Standard deduction' means:

"(A) \$4,000, increased annually, beginning January 1, 2013, by the cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next lowest multiple of \$50), in the case of a return filed by a single individual, by a head of household, by a surviving spouse, or jointly by a married couple (or domestic partner);

"(B) \$2,000, increased annually, beginning January 1, 2013, by the cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next lowest multiple of \$50), in the case of a married person filing separately; or

"(C) In the case of an individual who is a resident, as defined in paragraph (17) of this section, for less than a full 12-month taxable year, the amounts specified in subparagraphs (A) and (B) of this paragraph prorated by the

number of months that the individual was a resident.

"(27) 'Surviving spouse' shall have the same meaning as defined in § 2(a) of the Internal Revenue Code of 1986; provided that in applying section 2(a) of the Internal Revenue Code of 1986, the term 'spouse' shall be deemed to include a domestic partner.

"(28) 'Internal Revenue Code of 1954' means the Internal Revenue Code of 1954, approved April 6, 1954 (68A Stat. 3; 26 U.S.C. § 1 et seq.), as amended through May 24, 1985.

"(28A) The term 'Internal Revenue Code of 1986' means the Internal Revenue Code of 1986, approved October 22, 1986 (100 Stat. 2085; 26 U.S.C. § 1 et seq.), as amended from time to time. The provisions of the Internal Revenue Code of 1986 shall be effective on the same dates that they are effective for federal tax purposes.

"(29) 'International banking facility' or 'IBF' shall have the same meaning as defined in § 204.8(a)(1) of Regulation D of the Board of Governors of the Federal Reserve System, effective December 3, 1981 (12 CFR 204.8(a)(1)).

"(30) 'International banking facility extension of credit' or 'IBF loan' shall have the same meaning as defined in § 204.8(a)(3) of Regulation D of the Board of Governors of the Federal Reserve System, effective December 3, 1981 (12 CFR 204.8(a)(3)).

"(31) 'International Banking Facility time deposit' or 'IBF time deposit' shall have the same meaning as defined in § 204.8(a)(2) of Regulation D of the Board of Governors of the Federal Reserve System, effective December 3, 1981 (12 CFR 204.8(a)(2)).

"(32) 'Blind' means a taxpayer whose central visual acuity does not exceed  $\frac{20}{200}$  in the better eye with correcting lenses or whose visual acuity is greater than  $\frac{20}{200}$  but is accompanied by a limitation in the field of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees.

"(33) 'Subpart F income' shall have the same meaning as defined in § 952 of the Internal Revenue Code of 1986.

"(34) 'Net operating loss' shall have the same meaning as defined in § 172(c) of the Internal Revenue Code, subject to limitations and modifications provided in this chapter.

"(35) 'Net operating loss deduction' means the aggregate of the apportioned net operating loss carryovers to the taxable year.

"(36) 'Apportioned net operating loss' means the net operating loss generated in the year of the loss multiplied by the District of Columbia's apportionment formula for the loss year.

"(37) 'Cost-of-living adjustment' for any calendar year means an amount equal to the dollar amount set forth in paragraph (26)(A) of this section (pertaining to the standard deduction), paragraph (26)(B) of this section (pertain-

ing to the standard deduction), § 47-1806.02(f)(1)(A) (pertaining to the allowance of additional exemptions for dependents), or § 47-1806.02(i) (pertaining to the personal exemption), as the case may be, multiplied by the percentage that the Consumer Price Index for the preceding calendar year exceeds the Consumer Price Index for the calendar year beginning January 1, 2007. For the purposes of this paragraph, the Consumer Price Index for any calendar year is the average of the Consumer Price Index for the Washington-Baltimore Metropolitan Statistical Area for all-urban consumers published by the Department of Labor, or any successor index, as of the close of the 12-month period ending on July 31 of such calendar year."

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 113 of Omnibus Budget Support Temporary Act of 1991 (D.C. Law 9-19, August 17, 1991, law notification 38 DCR 5786).

For temporary (225 day) amendment of section, see § 2 of District of Columbia Income and Franchise Tax Act of 1947 Conformity Temporary Amendment Act of 1996 (D.C. Law 11-147, July 20, 1996, law notification 43 DCR 4352).

For temporary (225 day) amendment of section, see § 2 of Tax Conformity Temporary Act of 1999 (D.C. Law 13-8, June 11, 1999, law notification 47 DCR 5998).

For temporary (225 day) amendment of section, see § 2 of Tax Conformity Temporary Act of 20009 (D.C. Law 13-125, May 23, 2000, law notification 47 DCR 2057).

**Emergency legislation.** — For temporary amendment of section, see § 2 of the District of Columbia Income and Franchise Act of 1947 Conformity Emergency Amendment Act of 1996 (D.C. Act 11-263, April 19, 1996, 43 DCR 2179), and see § 2 of the District of Columbia Income and Franchise Tax Act of 1947 Conformity Congressional Adjournment Emergency Amendment Act of 1997 (D.C. Act 12-28, March 11, 1997, 44 DCR 1895).

For temporary amendment of section, see § 2 of the Tax Conformity Emergency Act of 1998 (D.C. Act 12-523, December 9, 1998, 45 DCR 9181), and § 2 of the Tax Conformity Emergency Act of 1999 (D.C. Act 13-31, March 16, 1999, 46 DCR 1993).

For temporary (90-day) amendment of section, see §§ 2702(f) and 2703(c) of the Service Improvement and Fiscal Year 2000 Budget Support Emergency Act of 1999 (D.C. Act 13-110, July 28, 1999, 46 DCR 6320).

For temporary (90-day) amendment of section, see § 2 of the Tax Conformity Emergency Act of 2000 (D.C. Act 13-261, February 9, 2000, 47 DCR 1189).

For temporary (90-day) amendment of section, see § 2 of the Tax Conformity Congressio-

nal Review Emergency Act of 2000 (D.C. Act 13-330, May 9, 2000, 47 DCR 4361).

For temporary (90 day) amendment of section, see §§ 1046(a), 1047, of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

For temporary (90 day) amendment of section, see §§ 1042, 1043 of Fiscal Year 2008 Budget Support Emergency Act of 2007 (D.C. Act 17-74, July 25, 2007, 54 DCR 7549).

For temporary (90 day) amendment of section, see § 7111(c) of Fiscal Year 2010 Budget Support Emergency Act of 2009 (D.C. Act 18-187, August 26, 2009, 56 DCR 7374).

For temporary (90 day) amendment of section, see § 7241(c) of Fiscal Year 2010 Budget Support Second Emergency Act of 2009 (D.C. Act 18-207, October 15, 2009, 56 DCR 8234).

For temporary (90 day) amendment of section, see § 7241(c) of Fiscal Year Budget Support Congressional Review Emergency Amendment Act of 2009 (D.C. Act 18-260, January 4, 2010, 57 DCR 345).

**Legislative history of Law 1-23.** — Law 1-23, the "Revenue Act of 1975," was introduced in Council and assigned Bill No. 1-47, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first, amended first, and second readings, and reconsideration of second reading, on April 15, 1975, June 1, 1975, June 24, 1975 and July 11, 1975, respectively. Signed by the Mayor on July 23, 1975, it was assigned Act No. 1-34 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 2-150.** — Law 2-150, the "Corporate and Unincorporated Business Tax Revision Act of 1978," was introduced in Council and assigned Bill No. 2-394, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 28, 1978 and December 12, 1978, respectively. Signed by the Mayor on December 29, 1978, it was assigned Act No. 2-339 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 2-158.** — Law 2-158, the "Tax Return Confidentiality Act of 1978," was introduced in Council and assigned Bill No. 2-402, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 28, 1978 and December 12, 1978, respectively. Signed by the Mayor on December 29, 1978, it was assigned Act No. 2-328 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 3-95.** — Law 3-95, the "District of Columbia Financial Institutions Tax Act of 1980," was introduced in Council and assigned Bill No. 3-190, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and



second readings on June 3, 1980 and June 17, 1980, respectively. Signed by the Mayor on July 9, 1980, it was assigned Act No. 3-217 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 4-118.** — For legislative history of D.C. Law 4-118, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 4-130.** — Law 4-130, the "Technical Amendments to the District of Columbia Financial Institutions Tax Act of 1980 and alley closing in square 569 Amendment Act of 1982," was introduced in Council and assigned Bill No. 4-328, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on April 27, 1982 and May 11, 1982, respectively. Signed by the Mayor on June 1, 1982, it was assigned Act No. 4-195 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 4-131.** — Law 4-131, the "District of Columbia Tax Enforcement Act of 1982," was introduced in Council and assigned Bill No. 4-257, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on April 27, 1982, and May 11, 1982, respectively. Signed by the Mayor on June 1, 1982, it was assigned Act No. 4-196 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 4-150.** — Law 4-150, the "International Banking Facilities Tax District of Columbia Redevelopment Act of 1945 Amendment, and Cable Television Communications Act of 1981 Technical Clarification Amendment Act of 1982," was introduced in Council and assigned Bill No. 4-360, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 22, 1982 and July 6, 1982, respectively. Signed by the Mayor on July 21, 1982, it was assigned Act No. 4-221 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 5-32.** — For Law 5-32, see note following § 47-1816.03.

**Legislative history of Law 5-147.** — Law 5-147, the "D.C. Income and Franchise Tax Conformity Amendment Act of 1984," was introduced in Council and assigned Bill No. 5-510, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on October 23, 1984 and November 7, 1984, respectively. Signed by the Mayor on November 29, 1984, it was assigned Act No. 5-211 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 6-16.** — Law 6-16, the "Professional Corporation Franchise Tax Amendment Act of 1985," was introduced in Council and assigned Bill No. 6-101, which was referred to the Committee on Finance and

Revenue. The Bill was adopted on first and second readings on May 14, 1985, and May 28, 1985, respectively. Signed by the Mayor on June 10, 1985, it was assigned Act No. 6-31 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 6-24.** — Law 6-24, the "Tax Conformity Amendment Act of 1985," was introduced in Council and assigned Bill No. 6-172, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on May 14, 1985 and May 28, 1985, respectively. Signed by the Mayor on June 10, 1985, it was assigned Act No. 6-39 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 6-110.** — Law 6-110, the "Income and Franchise Tax Technical Conformity Act of 1987," was introduced in Council and assigned Bill No. 6-341, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on February 11, 1986 and February 25, 1986, respectively. Signed by the Mayor on March 11, 1986, it was assigned Act No. 6-140 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 7-9.** — Law 7-9, the "D.C. Income and Franchise Tax Conformity and Inheritance and Estate Tax Revision Act of 1986 Amendment Act of 1987," was introduced in Council and assigned Bill No. 7-129, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on March 31, 1987 and April 14, 1987, respectively. Signed by the Mayor on May 6, 1987, it was assigned Act No. 7-20 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 7-29.** — For legislative history of D.C. Law 7-29, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 7-141.** — Law 7-141, the "District of Columbia Income and Franchise Tax Conformity Amendment Act of 1988," was introduced in Council and assigned Bill No. 7-445, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 14, 1988 and June 28, 1988, respectively. Signed by the Mayor on June 30, 1988, it was assigned Act No. 7-193 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 7-231.** — For legislative history of D.C. Law 7-231, see Historical and Statutory Notes following § 47-119.

**Legislative history of Law 8-25.** — Law 8-25, the "District of Columbia Income and Franchise Tax Conformity Amendment Act of 1989," was introduced in Council and assigned Bill No. 8-152, which was referred to the Committee on Finance and Revenue. The Bill was

adopted on first and second readings on May 30, 1989 and June 13, 1989, respectively. Signed by the Mayor on June 27, 1989, it was assigned Act No. 8-47 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 8-166.** — Law 8-166, the “District of Columbia Income and Franchise Tax Conformity Amendment Act of 1990,” was introduced in Council and assigned Bill No. 8-551, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 12, 1990, and June 26, 1990, respectively. Signed by the Mayor on July 12, 1990, it was assigned Act No. 8-231 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 9-25.** — Law 9-25, the “District of Columbia Income and Franchise Tax Conformity Amendment Act of 1991,” was introduced in Council and assigned Bill No. 9-121, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on June 4, 1991, and June 18, 1991, respectively. Signed by the Mayor on July 2, 1991, it was assigned Act No. 9-52 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 10-128.** — Law 10-128, the “Omnibus Budget Support Act of 1994,” was introduced in Council and assigned Bill No. 10-575, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on March 22, 1994, and April 12, 1994, respectively. Signed by the Mayor on April 14, 1994, it was assigned Act No. 10-225 and transmitted to both Houses of Congress for its review. D.C. Law 10-128 became effective on June 14, 1994.

**Legislative history of Law 11-182.** — Law 11-182, the “District of Columbia Income and Franchise Tax Act of 1947 Conformity Amendment Act of 1996,” was introduced in Council and assigned Bill No. 11-633, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on June 4, 1996, and July 3, 1996, respectively. Signed by the Mayor on July 22, 1996, it was assigned Act No. 11-333 and transmitted to both Houses of Congress for its review. D.C. Law 11-182 became effective on April 9, 1997.

**Legislative history of Law 13-38.** — Law 13-38, the “Service Improvement and Fiscal Year 2000 Budget Support Act of 1999,” was introduced in Council and assigned Bill No. 13-161, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on May 11, 1999, and June 22, 1999, respectively. Signed by the Mayor on July 8, 1999, it was assigned Act No. 13-111 and transmitted to both Houses of Congress for its review. D.C. Law 13-38 became effective on October 20, 1999.

**Legislative history of Law 13-126.** — Law 13-126, the “Tax Conformity Act of 2000,” was introduced in Council and assigned Bill No. 13-86, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on February 1, 2000, and March 7, 2000, respectively. Signed by the Mayor on March 22, 2000, it was assigned Act No. 13-296 and transmitted to both Houses of Congress for its review. D.C. Law 13-126 became effective on June 24, 2000.

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Legislative history of Law 16-98.** — For Law 16-98, see notes following § 47-802.

**Legislative history of Law 16-292.** — Law 16-292, the “Domestic Partnerships Joint Filing Act of 2006,” was introduced in Council and assigned Bill No. 16-958, which was referred to Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 14, 2006, and December 5, 2006, respectively. Signed by the Mayor on December 28, 2006, it was assigned Act No. 16-651 and transmitted to both Houses of Congress for its review. D.C. Law 16-292 became effective on March 14, 2007.

**Legislative history of Law 17-20.** — For Law 17-20, see notes following § 47-305.02.

**Legislative history of Law 17-231.** — For Law 17-231, see notes following § 47-802.

**Legislative history of Law 17-353.** — For Law 17-353, see notes following § 47-308.

**Legislative history of Law 18-108.** — Law 18-108, the “Income Tax Joint Filing Clarification Act of 2009,” was introduced in Council and assigned Bill No. 18-312, which was referred to the Committee on Finance and Revenue. The bill was adopted on first and second readings on November 3, 2009, and December 1, 2009, respectively. Signed by the Mayor on December 17, 2009, it was assigned Act No. 18-246 and transmitted to both Houses of Congress for its review. D.C. Law 18-108 became effective on March 3, 2010.

**Legislative history of Law 18-111.** — For Law 18-111, see notes following § 47-305.02.

**Legislative history of Law 19-21.** — For history of Law 19-21, see notes under § 47-305.02.

**Short title.** — Short title: Section 1041 of D.C. Law 17-20 provided that subtitle E of title I of the act may be cited as the “Standard Deduction Increase Act of 2007”.

Short title: Section 8001 of D.C. Law 19-21 provided that subtitle A of title VIII of the act may be cited as “Combined Reporting Act of 2011”.

Short title of subtitle K of title I of Law 16-33: Section 1045 of D.C. Law 16-33 provided that subtitle K of title I of the act may be cited as the Increase in the Standard Deduction and Personal Exemption Act of 2005.



**Effective date.** — Effectiveness and expiration of D.C. Law 16-98: Section 4 of D.C. Law 16-98 required that “this act shall take effect subject to the inclusion of its fiscal effect in an approved budget and financial plan; provided, that this act shall expire on October 1, 2006 if its fiscal effect has not been included in an approved budget and financial plan or in the Fiscal Year 2007 Budget Request Act of 2006.”

**References in text.** — Section 1201 of the Internal Revenue Code of 1986, referred to in (10)(B), is codified as 26 U.S.C. § 1201.

Section 152 of the Internal Revenue Code of 1986, referred to in (19), is codified as 26 U.S.C. § 152.

Section 2(b) of the Internal Revenue Code of 1986, referred to in (20), is codified as 26 U.S.C. § 2(b).

Section 3401(a), (b) and (d), of the Internal Revenue Code of 1986, referred to in (21), (22), and (23), respectively, are codified as 26 U.S.C. § 3401(a), (b), and (d), respectively.

Section 2(a) of the Internal Revenue Code of 1986, referred to in (27), is codified as 26 U.S.C. § 2(a).

Section 952 of the Internal Revenue Code of 1986, referred to in (33), is codified as 26 U.S.C. § 952.

**Editor's notes.** — Section 1047 of D.C. Law

16-33 provided that § 1046 shall apply as of Jan. 1, 2006.

Section 3(b) of D.C. Law 16-98 provided that Section 2(d) and (e) shall apply as of January 1, 2007.

The Budget Director of the Council of the District of Columbia has determined, as of November 2, 2007, that the fiscal effect of Law 16-98 had not been included in an approved budget and financial plan by October 1, 2006. Therefore, the amendments made to this section by Law 16-98, have expired as if never in effect.

Section 1043 of D.C. Law 17-20 provided this subtitle shall apply as of January 1, 2008.

Section 3 of D.C. Law 18-108 provided: “Section 2 shall apply for tax years beginning January 1, 2009.”

Section 8004 of D.C. Law 19-21 provided: “Sec. 8004. Applicability. This subtitle shall apply for taxable years beginning after December 31, 2010.”

Paragraph (16A) of this section, defining “cost-of-living adjustments” expired October 1, 2006.

Mayor authorized to issue regulations: Section 401 of D.C. Law 4-150 and § 9 of D.C. Law 5-32 provided that the Mayor shall issue regulations necessary to carry out the provisions of these acts.

## CASE NOTES

### ANALYSIS

Dividends.

Tax year.

Trade or business.

### Dividends.

Under section of District of Columbia Code defining “dividend” as any distribution to stockholders whenever earned by the corporation, distributions of corporate earnings accumulated prior to date of first District of Columbia income tax are taxable. D.C. Code § 47-1551c(m). *American Sec. & Trust Co. v. District of Columbia*, 408 F.2d 1295, 1969 U.S. App. LEXIS 9007 (C.A.D.C. 1969).

Where corporation liquidates entirely, distribution from its earnings constitutes dividend for District of Columbia income tax purposes. D.C. Code 1961, § 47-1551c(m). *Doyle v. District of Columbia*, 363 F.2d 694, 1966 U.S. App. LEXIS 5633 (C.A.D.C. 1966).

Purported sale of corporate stock by taxpayer, who was majority stockholder of corporation, who had controlled operation of corporation, and who, in negotiating sale, dominated course of dealings prescribed by him, at rates apparently fixed by him, to end that he would receive his share of corporation's capital and its previously undistributed earnings, constituted

dividend, for income tax purposes, and not sale of capital assets so as to exclude gain from gross income. D.C. Code 1961, §§ 47-1557a(b)(11), 47-1551c(m). *Doyle v. District of Columbia*, 363 F.2d 694, 1966 U.S. App. LEXIS 5633 (C.A.D.C. 1966).

Where taxpayer paid \$1,000,000 in cash for all stock of corporation which had \$1,000,000 in miscellaneous assets and immediately liquidated the corporation and transferred all assets to himself, under District of Columbia income tax statute defining dividends as any corporate distribution out of earnings, profits or surplus the \$300,000 he received from accumulated earned surplus of corporation was taxable as a dividend, but as to the remaining \$700,000 of assets taxpayer sustained a \$300,000 non-capital loss which was fully deductible. D.C. Code 1961, § 47-1551c(m). *Snow v. District of Columbia*, 361 F.2d 523, 1965 U.S. App. LEXIS 3895 (C.A.D.C. 1965).

District of Columbia income tax statute declaring that a distribution made by corporation out of corporate earnings is a dividend carries as a corollary its negative complement that such a distribution is not a payment in exchange for or in extinguishment of stock upon which it is declared, and it means that the stock remains in being. D.C. Code 1961, § 47-

1551c(m). *Snow v. District of Columbia*, 361 F.2d 523, 1965 U.S. App. LEXIS 3895 (C.A.D.C. 1965).

Under law of District of Columbia, distributions from corporate earnings were dividends, fully taxable, but distributions from depreciation reserves were not income subject to tax. D.C. Code 1961, §§ 47-1551c(l, m), 47-1557a(b) and (b)(11), 47-1583e. *District of Columbia v. Goldman*, 328 F.2d 520, 1963 U.S. App. LEXIS 3349 (C.A.D.C. 1963).

Under District of Columbia tax statute which in defining "dividends" reached distribution out of corporation's earnings, profits or surplus whenever earned by corporation, undistributed earnings in 1957 and 1958, utilized on corporate books to reduce accumulated deficit, retained character as earnings and became source of possible dividends in later year. D.C. Code 1961, § 47-1551c(m). *District of Columbia v. Goldman*, 328 F.2d 520, 1963 U.S. App. LEXIS 3349 (C.A.D.C. 1963).

Under statute defining "dividend" as any distribution made by corporation to stockholders out of earnings, profits or surplus whenever earned by corporation, unrealized appreciation in value of improved realty which was held by corporation for income and not for sale did not become a "dividend" when corporation distributed assets to stockholders upon dissolution. D.C. Code 1951, § 47-1551c(m). *District of Columbia v. Oppenheimer*, 301 F.2d 563, 1962 U.S. App. LEXIS 5607 (C.A.D.C. 1962).

Amounts distributed in complete liquidation of a corporation were properly includable in the stockholders' gross income as a dividend under District of Columbia income tax code section providing that dividends include any distribution made by a corporation out of its earnings, profits or surplus whenever earned by the cor-

poration and whether made in cash and whether distributed prior to, during, upon, or after liquidation or dissolution of the corporation. D.C. Code 1951, § 47-1551c(m). *Berliner v. District of Columbia*, 258 F.2d 651, 1958 U.S. App. LEXIS 5227 (C.A.D.C. 1958).

#### Tax year.

In order for partner to claim partnership loss deduction on partner's fractional year income tax return for the District of Columbia, the partnership's taxable year, or other formally recognized accounting period during which all partner's distributive shares are commonly computed, must close with or within the partner's fractional tax year. *Ward v. District of Columbia*, 111 WLR 373 (Super. Ct. 1983).

#### Trade or business.

Petitioner who purchased second-trust notes at discount, investigated credit of makers and inspected security to ascertain that value justified loan, made his own collections, maintained records of payments and followed up delinquent debtors by telephone or letter, was not engaged in investment of funds in securities but was engaged in "business or commercial activity" within statute imposing tax upon income of unincorporated businesses for privilege of carrying on or engaging in any trade or business. D.C. Code 1940, §§ 47-1501 et seq., 47-1551h, 47-1557a, 47-1574, 47-1574b. *Stone v. District of Columbia*, 198 F.2d 601, 1952 U.S. App. LEXIS 3215 (C.A.D.C. 1952).

"Business" as that term is used in taxing statutes, is that which occupies time, attention and labor of men for purpose of livelihood or profit. *Stone v. District of Columbia*, 198 F.2d 601, 1952 U.S. App. LEXIS 3215 (C.A.D.C. 1952).

## § 47-1801.05. Effect of repeal or amendment. [Transferred].

Transferred.

**Cross references.** — Horizontal property regimes, tax exemptions, classification, see § 42-2016.

**Legislative history of Law 7-29.** — For legislative history of D.C. Law 7-29, see Histor-

ical and Statutory Notes following § 47-1801.01a.

**Editor's notes.** — Section 5(a) of D.C. Law 7-29 redesignated this section as [§ 47-1801.1a § 47-1801.01a, 2001 Ed.].

### *Subchapter II. Exempt Organizations.*

## § 47-1802.01. Exempt organizations — In general.

(a) Except to the extent that the organizations have unrelated business income subject to tax under section 511 of the Internal Revenue Code of 1986 or income subject to tax under section 527 of the Internal Revenue Code of



1986, which income shall be taxed in the same manner and to the same extent as the tax imposed by subchapter VII of this chapter, the following organizations shall be exempt from taxation under this chapter if the organization first obtains a letter from the Mayor stating that it is entitled to the exemption:

(1) A corporation organized under the Act of Congress, which is an instrumentality of the United States and is exempt from federal income taxes under the Act;

(2) Corporations organized for the exclusive purpose of holding title to property, collecting income therefrom, and turning over the entire amount thereof, less expenses, to an organization which itself is exempt under this chapter;

(3) Corporations, and any community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, testing for public safety, literary, or educational purposes, or to foster national or international amateur sports competition (but only if no part of its activities involve the provision of athletic facilities or equipment), or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual, no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation (except as otherwise provided in section 501(h) of the Internal Revenue Code of 1986, and which does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of (or in opposition to) any candidate for public office;

(4)(A) Civic leagues or organizations not organized for profit but operated exclusively for the promotion of social welfare, or local associations of employees, the membership of which is limited to the employees of a designated person or persons in a particular municipality, and the net earnings of which are devoted exclusively to charitable, educational, or recreational purposes;

(B) Subparagraph (A) of this paragraph shall not apply to an entity unless no part of the net earnings of the entity inures to the benefit of any private shareholder or individual;

(5) Labor, agricultural, or horticultural organizations;

(6) Business leagues, chambers of commerce, real-estate boards, boards of trade, or professional football leagues (whether or not administering a pension fund for football players), not organized for profit and no part of the net earnings of which inures to the benefit of any private shareholder or individual;

(7) [Reserved];

(8) Fraternal beneficiary societies, orders, or associations:

(A) Operating under the lodge system or for the exclusive benefit of the members of a fraternity itself operating under the lodge system; and

(B) Providing for the payment of life, sick, accident, or other benefits to the members of the society, order, or association, or their dependents;

(9) Voluntary employees' beneficiary associations providing for the payment of life, sick, accident, or other benefits to the members of the association or their dependents or designated beneficiaries, if no part of the net earnings of the association inures (other than through such payments) to the benefit of any private shareholder or individual;

(10) Domestic fraternal societies, orders, or associations, operating under the lodge system:

(A) The net earnings of which are devoted exclusively to religious, charitable, scientific, literary, educational, and fraternal purposes; and

(B) Which do not provide for the payment of life, sick, accident, or other benefits;

(11) [Reserved];

(12) [Reserved];

(13)(A) Cemetery companies owned and operated exclusively for the benefit of their members or which are not operated for profit; and

(B) A corporation chartered solely for the purpose of the disposal of bodies by burial or cremation which is not permitted by its charter to engage in any business not necessarily incident to that purpose, no part of the net earnings of which inures to the benefit of any private shareholder or individual;

(14)(A) Credit unions without capital stock organized and operated for mutual purposes and without profit;

(B) Corporations or associations without capital stock organized before September 1, 1957, and operated for mutual purposes and without profit for the purpose of providing reserve funds for, and insurance of shares or deposits in:

(i) Domestic building and loan associations,

(ii) Cooperative banks without capital stock organized and operated for mutual purposes and without profit;

(iii) Mutual savings banks not having capital stock represented by shares; or

(iv) Mutual savings banks described in section 591(b) or the Internal Revenue Code of 1986;

(C) Corporations or associations organized before September 1, 1957, and operated for mutual purposes and without profit for the purpose of providing reserve funds for associations or banks described in sub-subparagraph (i), (ii), or (iii) of subparagraph (B), if at least 85% of the income is attributable to providing such reserve funds and to investments. This subparagraph shall not apply to a corporation or association entitled to exemption under subparagraph (B) of this paragraph;

(15) [Reserved];

(16) [Reserved];

(17) [Reserved];

(18) [Reserved];

(19) A post or organization of past or present members of the Armed Forces of the United States, or an auxiliary unit or society of, or a trust or foundation for, a post or organization:

(A) Organized in the United States or any of its possessions;

(B) At least 75% of the members of which are past or present members of the Armed Forces of the United States and substantially all of the other members of which are individuals who are cadets or are spouses or domestic partners, or surviving spouses or domestic partners, of past or present members of the Armed Forces of the United States or of cadets; and



(C) No part of the net earnings of which inures to the benefit of any private shareholder or individual;

(20) [Reserved];

(21) [Reserved];

(22) [Reserved];

(23) [Reserved];

(24) [Reserved];

(25) An organization described in section 501(c)(25) of the Internal Revenue Code of 1986;

(26) Insurance companies, companies which guarantee the fidelity of any individual or individuals, such as bonding companies, and companies which furnish abstracts of title or which insure titles to real estate, all of which pay taxes on their gross earnings, premiums, or gross receipts under existing laws of the District.

(b) The exemption under this section shall be effective on the effective date of the exemption determination letter issued for the organization by the Internal Revenue Service.

(July 16, 1947, 61 Stat. 334, ch. 258, art. I, title II; Oct. 21, 1975, D.C. Law 1-23, title VI, § 601(3), 22 DCR 2106; Mar. 3, 1979, D.C. Law 2-147, § 2, 25 DCR 6987; Sept. 13, 1980, D.C. Law 3-95, § 102, 27 DCR 3509; June 11, 1982, D.C. Law 4-118, § 102, 29 DCR 1770; June 24, 1987, D.C. Law 7-9, § 2(c), 34 DCR 3283; Oct. 1, 1987, D.C. Law 7-29, § 2(b), 34 DCR 5097; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 202(a), 48 DCR 334; Sept. 12, 2008, D.C. Law 17-231, § 41(f), 55 DCR 6758; July 2, 2011, D.C. Law 18-378, § 3(jj)(1)(B), 58 DCR 1720.)

**Cross references.** — Lobbyist registration, exempt entities, see § 1-1105.03.

Special public safety fee, exemptions, see § 47-2752.

**Section references.** — This section is referred to in §§ 47-1802.02, 47-1805.02, 47-1806.08e, 47-1807.07, and 47-2762.

**Prior Codifications.** — 1981 Ed., § 47-1802.1.

1973 Ed., § 47-1554.

**Effect of amendments.** — D.C. Law 13-305 rewrote the section which had read:

“The following organizations shall be exempt from taxation under this section, except to the extent that such organizations have unrelated business income subject to tax under § 511 of the Internal Revenue Code of 1986 and such unrelated business income shall be taxed in the same manner and to the same extent as the tax imposed by subchapters VII and VIII of this chapter:

“(1) Labor organizations;

“(2) Fraternal beneficiary societies, orders, or associations:

“(A) Operating under the lodge system or for the exclusive benefit of the members of a fraternity itself operating under the lodge system; and

“(B) Providing for the payment of life, sick, or accident benefits to the members of such society, order, or association, or their dependents;

“(3) Cemetery companies owned and operated exclusively for the benefit of their members and which are not operated for profit; and any corporation chartered solely for burial purposes as a cemetery corporation and not permitted by its charter to engage in any business not necessarily incident to that purpose, no part of the net earnings of which inures to the benefit of any private individual or shareholder;

“(4) Corporations, and any community chest, fund, or foundation, organized and operated to a substantial extent within the District, exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private individual or shareholder, no substantial part of the activities of which is carrying on propaganda or otherwise attempting to influence legislation (except as otherwise provided in § 501(h) of the Internal Revenue Code of 1986 (26 U.S.C. § 501(h))) and which does not participate in or intervene in (including the publishing or distributing of state-

ments) any political campaign on behalf of any candidate for public office;

“(5) Business leagues, chambers of commerce, real estate boards, or boards of trade, not organized or operated for profit and no part of the net earnings of which inures to the benefit of any private individual or shareholder;

“(6) Civic leagues or organizations not organized for profit but operated exclusively for the promotion of social welfare, or local associations of employees, the membership of which is limited to the employees of a designated person or persons in a particular municipality, and the net earnings of which are devoted principally to charitable, educational, or recreational purposes within the District;

“(7) Insurance companies, companies which guarantee the fidelity of any individual or individuals, such as bonding companies, and companies which furnish abstracts of title or which insure titles to real estate, all of which pay taxes on their gross earnings, premiums, or gross receipts under existing laws of the District;

“(8) Corporations organized for the exclusive purpose of holding title to property, collecting income therefrom, and turning over the entire amount thereof, less expenses, to an organization which itself is exempt from the tax imposed by this chapter;

“(9) Corporations organized under acts of Congress, if such corporations are instrumentalities of the United States and if, under such acts, as amended and supplemented, such corporations are exempt from federal income taxes;

“(10) Voluntary employees’ beneficiary associations providing for the payment of life, sick, or accident benefits to the members of such association or their dependents, if:

“(A) No part of their net earnings inures (other than through such payments) to the benefit of any private individual or shareholder; and

“(B) Eighty-five per centum or more of the income consists of amounts collected from members for the sole purpose of making such payments and meeting expenses;

“(11) Voluntary employees’ beneficiary associations providing for the payment of life, sick, or accident benefits to the members of such association or their dependents or their designated beneficiaries, if:

“(A) Admission to membership in such association is limited to individuals who are officers or employees of the United States government or the government of the District of Columbia; and

“(B) No part of the net earnings of such association inures (other than through such payments) to the benefit of any private individual or shareholder;

“(12) An organization described in § 501(c)(25) of the Internal Revenue Code of 1986.”

D.C. Law 17-231, in par. (19)(B), substituted “spouses or domestic partners, or surviving spouses or domestic partners,” for “spouses, widows, or widowers”.

D.C. Law 18-378 designated the text as subsec. (a); and subsec. (b).

**Legislative history of Law 1-23.** — For legislative history of D.C. Law 1-23, see Historical and Statutory Notes following § 471801.04.

**Legislative history of Law 2-147.** — Law 2-147, the “District of Columbia Charitable Organizations Conformity Tax Act of 1978,” was introduced in Council and assigned Bill No. 2-377, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 28, 1978 and December 12, 1978, respectively. Signed by the Mayor on December 29, 1978, it was assigned Act No. 2-324 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 3-95.** — For legislative history of D.C. Law 3-95, see Historical and Statutory Notes following § 471801.04.

**Legislative history of Law 4-118.** — For legislative history of D.C. Law 4-118, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 7-9.** — For legislative history of D.C. Law 7-9, see Historical and Statutory Notes following § 471801.04.

**Legislative history of Law 7-29.** — For legislative history of D.C. Law 7-29, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 17-231.** — For Law 17-231, see notes following § 47-802.

**Legislative history of Law 18-378.** — Law 18-378, the “District of Columbia Official Code Title 29 (Business Organizations) Enactment Act of 2009,” was introduced in Council and assigned Bill No. 18-500, which was referred to the Committee on Public Services and Consumer Affairs. The Bill was adopted on first and second readings on December 7, 2010, and December 21, 2010, respectively. Signed by the Mayor on February 27, 2011, it was assigned Act No. 18-724 and transmitted to both Houses of Congress for its review. D.C. Law 18-378 became effective on July 2, 2011.

**Editor’s notes.** — Tax exemption of International Telecommunications Satellite Consortium: See the Act of October 22, 1970, 84 Stat. 1091, Pub. L. 91-494.



## § 47-1802.02. Exempt organizations — Regulations.

The Mayor of the District of Columbia is authorized to promulgate regulations to carry out the purposes of § 47-1802.01(4), this section, and § 47-1802.03 and may amend, by regulation, the appropriate provisions of Title 16 of the District of Columbia Rules and Regulations.

(Mar. 3, 1979, D.C. Law 2-147, § 3, 25 DCR 6987; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-1802.02.

**Prior Codifications.** — 1981 Ed., § 47-1802.2.

1973 Ed., § 47-1555.

**Legislative history of Law 2-147.** — For

legislative history of D.C. Law 2-147, see Historical and Statutory Notes following § 471802.01.

**Delegation of Authority.** — Delegation of authority pursuant to Law 2-147, see Mayor's Order 86-134, August 19, 1986.

## § 47-1802.03. Exempt organizations — Applicability of provisions.

Section 47-1802.02 and this section shall apply to taxable years beginning after December 31, 1977.

(Mar. 3, 1979, D.C. Law 2-147, § 4(a), 25 DCR 6987; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-1802.02.

**Prior Codifications.** — 1981 Ed., § 47-1802.3.

1973 Ed., § 47-1556.

**Legislative history of Law 2-147.** — For legislative history of D.C. Law 2-147, see Historical and Statutory Notes following § 471802.01.

## § 47-1802.04. Exempt organizations — Political organizations.

The income of every political organization subject to tax under section 527 of the Internal Revenue Code of 1986 [26 U.S.C. § 527] shall be taxed in the same manner and to the same extent as income of a corporation is taxed under subchapter VII of this Chapter.

(Apr. 4, 2003, D.C. Law 14-282, § 11(qq), 50 DCR 896.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 12(vv) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) addition of section, see § 12(yy) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Emergency legislation.** — For temporary (90 day) addition of this section, see § 12(uu) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) addition of this section, see § 12(vv) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) addition of this section, see § 12(vv) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 2-147.** — For legislative history of D.C. Law 2-147, see Historical and Statutory Notes following § 471802.01.

**Legislative history of Law 14-282.** — For Internal Revenue Code of 1986, referred to this Law 14-282, see notes following § 47-902. section, is classified to 26 U.S.C. § 527.

**References in text.** — Section 527 of the

*Subchapter III. Net Income, Gross Income and Exclusions Therefrom, and Deductions.*

**§ 47-1803.01. “Net income” defined.**

For the purposes of this chapter and wherever appearing herein, unless otherwise required by the context, the words “net income” mean the gross income of a taxpayer less the deductions allowed by this chapter.

(July 16, 1947, 61 Stat. 335, ch. 258, art. I, title III, § 1; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1803.1. 1973 Ed., § 47-1557.

**§ 47-1803.02. Gross income — Items included and excluded; “adjusted gross income” defined.**

(a) *Gross income.* — The words “gross income” shall have the same meaning as defined in § 61 of the Internal Revenue Code of 1986. In addition to the items specifically included or excluded by reference to § 61(b) of the Internal Revenue Code of 1986, the following items shall also be included or excluded in the computation of District gross income:

(1)(A) For taxpayers other than individuals, estates, and trusts, interest upon the obligations of a state, territory of the United States, or any political subdivision thereof, but not including the District, shall be included in the computation of District gross income.

(B) For individuals, estates, and trusts, interest upon the obligations of a state, territory of the United States, or any political subdivision thereof, but not including the District, acquired by the taxpayer on or after October 1, 2011, shall be included in the computation of District gross income.

(C) Nothing in this paragraph shall be construed as repealing or limiting the provisions of § 9-921.

(1A)(A) For individuals, estates, and trusts, interest upon the obligations of a state, territory of the United States, or any political subdivision thereof, but not including the District, acquired by the taxpayer before October 1, 2011, shall be included in the computation of District gross income; provided, that this section shall not repeal or limit the provisions of § 9-921.

(B) This paragraph shall not apply if for fiscal year 2012, the Chief Financial Officer certifies that annual revenue will exceed the annual revenue estimate incorporated in the approved financial plan and budget for the fiscal year by an amount sufficient to offset the loss of revenue proceeding from the inapplicability of this paragraph as set forth in the Contingency for Additional Estimated Revenue Act of 2011, passed on 2nd reading on June 14, 2011 [Enrolled version of Bill 19-203] [subtitle P of Title VII of D.C. Law 19-21].



(2) The following items shall be excluded in the computation of District gross income:

(A) After January 23, 1983, interest and dividend income on obligations or securities of the United States, or its agencies or instrumentalities, to the extent that this income is included in federal gross income.

(B) The amount of any income or gain included in the taxpayer's federal gross income for the taxable year to the extent that it was included as income or gain in an income or franchise tax return filed by:

(i) The taxpayer with the District for any taxable year beginning prior to January 1, 1982; or

(ii) An individual by reason of whose death the taxpayer acquired the right to receive the income or gain.

(C) The amount of any trust distribution to the taxpayer included in his federal gross income for the taxable year to the extent that such amount was previously taxed to the trust by the District.

(D) In the case of any person entitled to the distributive share of a trade or business net income that is from an unincorporated business as defined in § 47-1808.01, an amount equal to the pro rata distributive share, to the extent that portion of the distributive share so excluded is directly or indirectly reported by and taxed against any person under the provisions of this chapter.

(E) Any state or local income tax refund included in federal gross income.

(F) Income received or, in the case of a taxpayer reporting on an accrual basis, income accrued when the taxpayer was not a resident of the District.

(G) Income of any kind to the extent required by any treaty obligation of the United States, including reciprocal agreements between the United States and other countries relating to the taxability of their respective airlines and ships under foreign flag owned by foreign corporations.

(H) In the case of an International Banking Facility the gross income to the parent depository institution resulting from any IBF time deposit or any IBF loan; provided, however, that no expense or loss attributable to such income shall be allowed as a deduction under any other provision of this chapter, and; provided, further, that this exclusion from gross income shall not include any amount derived by an International Banking Facility from IBF time deposits or IBF loans if the loan or deposit of funds is secured by a mortgage, deed of trust, or other lien upon real property located within the District of Columbia.

(I) Income derived from the sale of tangible personal property to the United States by corporations and unincorporated businesses having their principal places of business located outside the District, which property is delivered from places outside the District for use outside the District; provided, however, that the taxpayer shall furnish to the Mayor a statement in writing of the amount of gross sales so made and, if required by the Mayor, a list of the names of the agencies of the United States through which such property was sold.

(J) Dues and initiation fees in the case of any club organized and operated exclusively for pleasure and recreation, no part of the net earnings of

which inures to the benefit of any private individual or shareholder. As used in this subparagraph, the term “dues” means only sums paid or incurred by members on a monthly, quarterly, annual, or other periodic basis for the privilege of being members of such club and any pro rata assessment made against the members as such. The term “dues” does not include any sums paid or incurred by members or their guests for food, beverages, or other tangible personal property purchased or for the use of the club’s social, athletic, sporting, and other facilities. The term “initiation fees” includes any payment, contribution, or loan, required as a condition precedent to membership, whether or not any such payment, contribution, or loan is evidenced by a certificate of interest or indebtedness.

(K) The amount of any compensation deferred under the employee deferred compensation program pursuant to § 47-3601; provided, that the amount of any such compensation or any income attributable to the amount of compensation so deferred shall be includable in gross income for the taxable years in which such compensation or other income is paid or otherwise made available to the employee or other beneficiary.

(L) Social security and tier 1 railroad retirement benefits subject to taxation under § 86 of the Internal Revenue Code of 1986.

(M) Certain disability income payments excludable under § 105(d) of the Internal Revenue Code of 1986 before the enactment of the Social Security Amendments of 1983 (26 U.S.C. § 86).

(N) Pension, military retired pay, annuity income, or survivor benefits received from the District of Columbia or the federal government by persons who are 62 years of age or older by the end of the taxable year, except that:

(i) The exclusion shall not exceed the lesser of \$3,000 or the actual amount of the pension, military retired pay, or annuity received during the taxable years; and

(ii) The pension, military retired pay or annuity is otherwise subject to taxation under this chapter.

(O) Repealed.

(P) In the case of any person entitled to a share in the income of any corporation which is an S corporation as defined in section 1361(a) of the Internal Revenue Code of 1986, an amount equal to the pro rata share of the income, to the extent that the portion of the income so excluded is directly or indirectly reported by and taxed against any person under the provisions of this chapter.

(Q) Qualified capital gain from the sale or exchange of a Qualified High Technology Company asset held for more than 5 years; provided, that in the case of a sale or exchange of an interest in a partnership or of stock in an S corporation, which entity was a Qualified High Technology Company during substantially all of the period the taxpayer held the interest or stock, the amount of qualified capital gain shall not include gain which:

(i) Is attributable to real property or an intangible asset which is not an integral part of a Qualified High Technology Company; and

(ii) Occurs before January 1, 2001 or after December 31, 2007.

(R) A relocation payment received under section 205 or 206 of the Housing Act of 2001 [§ 42-2851.05 or § 42-2851.06].



(S) The proceeds from the sale of, or the use of a transferred, tax credit under § 47-1806.08c [repealed].

(T) Homeownership assistance received by the eligible employee through a certified employer-assisted home purchase program, as those terms are defined in § 47-1807.07, and used for the purchase of a qualified residential real property.

(U) The amount received by a claimant, excluding backpay (as defined in § 47-1806.10(3) [§ 47-1806.10(a)(3)]), frontpay (as defined in § 47-1806.10(5) [§ 47-1806.10(a)(5)]), or punitive damages, whether by agreement (as reasonably allocated) or suit and whether as a lump sum or periodic payments, on account of a claim of unlawful discrimination.

(V) Income derived from any source, not to exceed \$10,000, for a person who has been determined to have a permanent and total disability by the Social Security Administration, is receiving Supplemental Security Income or Social Security Disability, is receiving railroad retirement disability benefits, or is receiving federal or District of Columbia government disability payments; and, whose household adjusted gross income, as defined in § 47-863(a)(2), is less than \$100,000.

(W) The amount of any health care insurance premium paid by an employer for a non-employee domestic partner, as the term “domestic partner” is defined in § 32-701(3).

(X) Loans awarded and subsequently forgiven under [Part F of subchapter IV of Chapter 3 of Title 1].

(Y) Fees retained by a retail establishment under [§ 8-102.03(b)(1)].

(Z) Computations of discharge of indebtedness income under section 108(i) of the Internal Revenue Code of 1986.

(AA) The amount received by a taxpayer pursuant to § 8-1774.09.

(3) The monetary assistance provided to an owner of a housing accommodation under section 8 of the United States Housing Act of 1937, approved August 22, 1974 (88 Stat. 662; 42 U.S.C. § 1437f), either directly or through a tenant, shall be income.

(a-1) Notwithstanding subsection (a) of this section, for the purposes of the deduction for state sales and excise taxes on the purchase of certain motor vehicles, the term “gross income” shall have the same meaning as set forth in section 61 of the Internal Revenue Code of 1986, as that section existed on December 31, 2008.

(b) *Adjusted gross income.* — The words “adjusted gross income” as used in this chapter mean:

(1) In the case of an individual, estate, or trust, the same meaning as defined in § 62 of the Internal Revenue Code of 1986; and

(2) In the case of an individual, estate, or trust not required to file a District return for a complete calendar or fiscal year, gross income reported under subsection (a) of this section, less deductions allowed under § 62 of the Internal Revenue Code of 1986, which were paid or accrued during the period covered by the District return.

(c) Repealed.

(July 16, 1947, 61 Stat. 335, ch. 258, art. I, title III, § 2; May 3, 1948, 62 Stat.

207, ch. 246, § 3; May 27, 1949, 63 Stat. 130, ch. 146, title IV, §§ 403, 420; Sept. 4, 1957, 71 Stat. 605, Pub. L. 85-281, §§ 1, 3; June 27, 1960, 74 Stat. 219, Pub. L. 86-522, § 1; Sept. 19, 1966, 80 Stat. 812, Pub. L. 89-591, § 1; Oct. 31, 1969, 83 Stat. 176, 177, Pub. L. 91-106, title VI, §§ 601(b)(1), (2), 602; Oct. 21, 1975, D.C. Law 1-23, title VI, § 601(4), 22 DCR 2106; Apr. 19, 1977, D.C. Law 1-124, title IV, § 401(a), 23 DCR 8749; Mar. 6, 1979, D.C. Law 2-158, § 4, 25 DCR 7002; Sept. 13, 1980, D.C. Law 3-95, § 103(a), 27 DCR 3509; June 11, 1982, D.C. Law 4-118, § 103, 29 DCR 1770; July 24, 1982, D.C. Law 4-130, § 2, 29 DCR 2412; Sept. 17, 1982, D.C. Law 4-150, § 102, 29 DCR 3377; Oct. 8, 1983, D.C. Law 5-32, § 3(a), (b), 30 DCR 4013; Sept. 26, 1984, D.C. Law 5-118, § 6(c), 31 DCR 4034; Mar. 14, 1985, D.C. Law 5-147, § 2(b), 31 DCR 6416; July 24, 1986, D.C. Law 6-129, § 2(a), 33 DCR 3221; June 24, 1987, D.C. Law 7-9, § 2(d), (e), 34 DCR 3283; Oct. 1, 1987, D.C. Law 7-29, § 2(c)(1)-(4), 34 DCR 5097; July 8, 1988, D.C. Law 7-130, § 2(a), 35 DCR 4104; Sept. 21, 1988, D.C. Law 7-145, § 2(a), 35 DCR 5407; July 26, 1989, D.C. Law 8-17, § 2(a), 36 DCR 4160; Mar. 20, 1992, D.C. Law 9-86, § 2, 39 DCR 716; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 3, 2001, D.C. Law 13-256, § 406, 48 DCR 730; Apr. 19, 2002, D.C. Law 14-114, §§ 292(a), 302(b)(1), 901(b)(1), 49 DCR 1468; June 25, 2002, D.C. Law 14-165, § 2(b)(1), 49 DCR 4261; Oct. 19, 2002, D.C. Law 14-213, § 33(r), 49 DCR 8140; Mar. 13, 2004, D.C. Law 15-105, § 107, 51 DCR 881; Oct. 20, 2005, D.C. Law 16-33, § 1291, 52 DCR 7503; Mar. 8, 2006, D.C. Law 16-59, § 2, 53 DCR 17; Mar. 14, 2007, D.C. Law 16-294, § 16, 54 DCR 1086; Apr. 24, 2007, D.C. Law 16-305, § 73(d), 53 DCR 6198; Sept. 23, 2009, D.C. Law 18-55, § 9(a)(2), 56 DCR 5703; Mar. 3, 2010, D.C. Law 18-111, § 7121, 57 DCR 181; Mar. 12, 2011, D.C. Law 18-316, § 2, 57 DCR 12416; Mar. 31, 2011, D.C. Law 18-331, § 4, 58 DCR 22; Sept. 14, 2011, D.C. Law 19-21, § 8152, 58 DCR 6226.)

**Cross references.** — Employee deferred compensation program, calculation of taxable gross income, see § 47-3601.

Tenant Assistance Program, income tax exemption for recipients, see § 42-3503.08.

**Section references.** — This section is referred to in §§ 42-2851.05, 47-1803.03, 47-1806.06, 47-1806.09, 47-1809.10, and 47-1810.01.

**Prior Codifications.** — 1981 Ed., § 47-1803.2.

1973 Ed., § 47-1557a.

**Effect of amendments.** — D.C. Law 13-256 added subsec. (a)(2)(Q).

D.C. Law 14-114 added subsecs. (a)(2)(R), (S), (T) and (a)(3).

D.C. Law 14-165 added subsec. (a)(2)(U).

D.C. Law 14-213, in subsec. (a)(2)(Q), validated previously made technical corrections.

D.C. Law 15-105, in subsec. (a)(2)(U), deleted “employment”.

D.C. Law 16-33 added subsec. (a)(2)(V).

D.C. Law 16-59 added subsec. (a)(2)(W).

D.C. Law 16-294 added subsec. (a)(2)(X).

D.C. Law 16-305, in subsec. (a)(2)(V), substi-

tuted “have a permanent and total disability” for “be permanently and totally disabled”.

D.C. Law 18-55 added subsec. (a)(2)(Y).

D.C. Law 18-111 added subsecs. (a)(2)(Z) and (a-1).

D.C. Law 18-316 rewrote subsecs. (a)(2)(D) and (P), which formerly read:

“(D) The distributive share of a trade or business net income that is subject to the unincorporated business franchise tax imposed under subchapter VIII of this chapter.”

“(P) In the case of any person entitled to a share in the income of any corporation which is a small business corporation as defined in § 1371 of the Internal Revenue Code of 1954, making an election under § 1372(a) of the Internal Revenue Code of 1954, or an S corporation as defined in § 1361(a) and (b) of the Internal Revenue Code of 1986, making an election under § 1362(a) of the Internal Revenue Code of 1986, and which is subject to tax under the provisions of subchapter VII of this chapter, an amount equal to the pro rata share of the income, to the extent that the portion of the income so excluded is reported by and taxed



against the corporation under the provisions of subchapter VII of this chapter.”

D.C. Law 18-331 added subsec. (a)(2)(AA).

D.C. Law 19-21 rewrote subsec. (a)(1); and added subsec. (a)(1A). Prior to amendment, subsec. (a)(1) read as follows: “(1) Interest upon the obligations of a state, territory of the United States, or any political subdivision thereof, but not including the District of Columbia, shall be included in the computation of District gross income; except, that individuals, estates and trusts shall not include interest on the obligations of the District of Columbia, a state, a territory of the United States, or any political subdivision thereof, in the computation of District gross income.”

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2 of District of Columbia Income and Franchise Tax Act of 1947 Temporary Amendment Act of 1991 (D.C. Law 9-74, March 11, 1992, law notification 39 DCR 1956).

For temporary (225 day) amendment of section, see § 3 of Unemployment Compensation Terrorist Response Temporary Amendment Act of 2001 (D.C. Law 14-75, March 6, 2002, law notification 49 DCR 2809).

For temporary (225 day) amendment of section, see § 3 of Unemployment Compensation Terrorist Response Temporary Amendment Act of 2002 (D.C. Law 14-171, July 23, 2002, law notification 49 DCR ] ).

For temporary (225 day) amendment of section, see § 2 of Income from Discrimination Exclusion Temporary Amendment Act of 2002 (D.C. Law 14-243, March 25, 2003, law notification 50 DCR 2756).

For temporary (225 day) amendment of section, see § 2 of Income from Discrimination Exclusion Temporary Amendment Act of 2003 (D.C. Law 15-86, March 10, 2004, law notification 51 DCR 3378).

Section 3 of D.C. Law 17-277, in subsec. (a)(2), added subpar. (Y) to read as follows: “(Y) The amount received by a taxpayer pursuant to the second section 11a of the Historic Landmark and Historic District Protection Act of 1978, effective March 2, 2007 (D.C. Law 16-189; D.C. Official Code § 6-1110.02).”.

Section 5(b) of D.C. Law 17-277 provided that the act shall expire after 225 days of its having taken effect.

Section 4 of D.C. Law 19-53, in subsec. (a), repealed par. (1A) and rewrote par. (1) to read as follows: “(1)(A) For taxpayers other than individuals, estates, and trusts, interest upon the obligations of a state, territory of the United States, or any political subdivision thereof, but not including the District, shall be included in the computation of District gross income.” (B) For individuals, estates, and trusts, interest upon the obligations of a state, territory of the United States, or any political

subdivision thereof, but not including the District, acquired by the taxpayer on or after January 1, 2012, shall be included in the computation of District gross income. “(C) Nothing in this paragraph shall be construed as repealing or limiting the provisions of § 9-921.”.

Section 15(b) of D.C. Law 19-53 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 3 of Unemployment Compensation Terrorist Response Emergency Amendment Act of 2001 (D.C. Act 14-157, October 25, 2001, 48 DCR 10219).

For temporary (90 day) amendment of section, see § 3 of Unemployment Compensation Terrorist Response Congressional Review Emergency Amendment Act of 2001 (D.C. Act 14-215, December 21, 2001, 49 DCR 382).

For temporary (90 day) amendment of section, see § 2 of the Income from Discrimination Exclusion Congressional Review Emergency Amendment Act of 2003 (D.C. Act 15-24, February 24, 2003, 50 DCR 2142).

For temporary (90 day) amendment of section, see § 3 of Unemployment Compensation Terrorist Response Emergency Amendment Act of 2002 (D.C. Act 14-346, April 24, 2002, 49 DCR 4407).

For temporary (90 day) amendment of section, see § 2 of Income from Discrimination Exclusion Emergency Act of 2002 (D.C. Act 14-504, October 23, 2002, 49 DCR 10039).

For temporary (90 day) amendment of section, see § 2 of Income From Discrimination Exclusion Emergency Amendment Act of 2003 (D.C. Act 15-195, October 24, 2003, 50 DCR 9518).

For temporary (90 day) amendment of section, see § 2 of Income From Discrimination Exclusion Congressional Review Emergency Amendment Act of 2004 (D.C. Act 15-376, February 24, 2004, 51 DCR 2637).

For temporary (90 day) amendment of section, see §§ 1291 to 1293 of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

For temporary (90 day) amendment of section, see § 11 of District of Columbia Poverty Lawyer Loan Repayment Program Congressional Review Emergency Act of 2006 (D.C. Act 16-563, December 19, 2006, 53 DCR 10259).

For temporary (90 day) amendment, see § 3 of Targeted Historic Housing Preservation Assistance Emergency Amendment Act of 2008 (D.C. Act 17-470, July 28, 2008, 55 DCR 8761).

For temporary (90 day) amendment of section, see § 3 of Targeted Historic Housing Preservation Assistance Congressional Review Emergency Amendment Act of 2008 (D.C. Act 17-546, October 20, 2008, 55 DCR 11434).

For temporary (90 day) amendment of section, see § 7061 of Fiscal Year 2010 Budget Support Emergency Act of 2009 (D.C. Act 18-187, August 26, 2009, 56 DCR 7374).

For temporary (90 day) addition, see §§ 7101 and 7102 of Fiscal Year 2010 Budget Support Emergency Act of 2009 (D.C. Act 18-187, August 26, 2009, 56 DCR 7374).

For temporary (90 day) amendment of section, see § 7121 of Fiscal Year 2010 Budget Support Second Emergency Act of 2009 (D.C. Act 18-207, October 15, 2009, 56 DCR 8234).

For temporary (90 day) amendment of section, see § 7121 of Fiscal Year Budget Support Congressional Review Emergency Amendment Act of 2009 (D.C. Act 18-260, January 4, 2010, 57 DCR 345).

For temporary (90 day) amendment of section, see § 4 of Revised Fiscal Year 2012 Budget Support Technical Clarification Emergency Amendment Act of 2011 (D.C. Act 19-157, October 4, 2011, 58 DCR 8688).

For temporary (90 day) amendment of section, see § 3(b) of Fiscal Year 2012 Second Revised Budget Request Emergency Adjustment Act of 2012 (D.C. Act 19-382, June 20, 2012, 59 DCR 7760).

For temporary (90 day) addition of section, see § 3(a) of Fiscal Year 2012 Second Revised Budget Request Emergency Adjustment Act of 2012 (D.C. Act 19-382, June 20, 2012, 59 DCR 7760).

For temporary (90 day) amendment of section, see § 8009(a) of Fiscal Year 2013 Budget Support Emergency Act of 2012 (D.C. Act 19-383, June 19, 2012, 59 DCR 7764).

For temporary (90 day) addition of section, see § 3(a) of Fiscal Year 2012 Second Revised Budget Request Congressional Review Emergency Adjustment Act of 2012 (D.C. Act 19-406, July 20, 2012, 59 DCR 9124).

For temporary (90 day) amendment of section, see § 3(b) of Fiscal Year 2012 Second Revised Budget Request Congressional Review Emergency Adjustment Act of 2012 (D.C. Act 19-406, July 20, 2012, 59 DCR 9124).

For temporary (90 day) amendment of section, see § 8009(a) of Fiscal Year 2013 Budget Support Congressional Review Emergency Act of 2012 (D.C. Act 19-413, July 25, 2012, 59 DCR 9290).

**Legislative history of Law 1-23.** — For legislative history of D.C. Law 1-23, see Historical and Statutory Notes following § 471801.04.

**Legislative history of Law 1-124.** — Law 1-124, the "Revenue Act For Fiscal Year 1978," was introduced in Council and assigned Bill No. 1-375, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on December 3, 1976 and December 17, 1976, respectively. Signed by the Mayor on January 25, 1977, it

was assigned Act No. 1-226 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 2-158.** — For legislative history of D.C. Law 2-158, see Historical and Statutory Notes following § 471801.04.

**Legislative history of Law 3-95.** — For legislative history of D.C. Law 3-95, see Historical and Statutory Notes following § 471801.04.

**Legislative history of Law 4-118.** — For legislative history of D.C. Law 4-118, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 4-130.** — For legislative history of D.C. Law 4-130, see Historical and Statutory Notes following § 471801.04.

**Legislative history of Law 4-150.** — For legislative history of D.C. Law 4-150, see Historical and Statutory Notes following § 471801.04.

**Legislative history of Law 5-32.** — For legislative history of D.C. Law 5-32, see Historical and Statutory Notes following § 471816.03.

**Legislative history of Law 5-118.** — Law 5-118, the "Deferred Compensation Act of 1984," was introduced in Council and assigned Bill No. 5-177, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 26, 1984 and July 10, 1984, respectively. Signed by the Mayor on July 13, 1984, it was assigned Act No. 5-170 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 5-147.** — For legislative history of D.C. Law 5-147, see Historical and Statutory Notes following § 471801.04.

**Legislative history of Law 6-129.** — Law 6-129, the "Corporation Franchise Tax Amendment Act of 1986," was introduced in Council and assigned Bill No. 6-352, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on April 15, 1986 and April 29, 1986, respectively. Signed by the Mayor on May 16, 1986, it was assigned Act No. 6-165 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 7-9.** — For legislative history of D.C. Law 7-9, see Historical and Statutory Notes following § 471801.04.

**Legislative history of Law 7-29.** — For legislative history of D.C. Law 7-29, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 7-130.** — Law 7-130, the "Income and Franchise Tax Amendment Act of 1986," was introduced in Council and assigned Bill No. 7-468. The Bill was adopted on first and second readings on April 19,



1988 and May 3, 1988, respectively. Signed by the Mayor on May 19, 1988, it was assigned Act No. 7-180 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 7-145.** — Law 7-145, the “Income and Franchise Tax Amendment Act of 1988,” was introduced in Council and assigned Bill No. 7-475, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 14, 1988 and June 28, 1988, respectively. Signed by the Mayor on June 30, 1988, it was assigned Act No. 7-197 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 8-17.** — Law 8-17, the “Revenue Amendment Act of 1989,” was introduced in Council and assigned Bill No. 8-224, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on May 2, 1989 and May 16, 1989, respectively. Signed by the Mayor on May 26, 1989, it was assigned Act No. 8-34 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 9-86.** — Law 9-86, the “District of Columbia Income and Franchise Tax Act of 1947 Amendment Act of 1992,” was introduced in Council and assigned Bill No. 9-344, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on December 3, 1991, and January 7, 1992, respectively. Approved without the signature of the Mayor on January 29, 1992, it was assigned Act No. 9-149 and transmitted to both Houses of Congress for its review. D.C. Law 9-86 became effective on March 20, 1992.

**Legislative history of Law 13-256.** — For Law 13-256, see notes under § 47-1508.

**Legislative history of Law 14-114.** — For Law 14-114, see notes following § 47-857.01.

**Legislative history of Law 14-165.** — Law 14-165, the “Civil Rights Tax Fairness Act of 2002,” was introduced in Council and assigned Bill No. 14-329, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on March 5, 2002, and April 9, 2002, respectively. Signed by the Mayor on April 24, 2002, it was assigned Act No. 14-332 and transmitted to both Houses of Congress for its review. D.C. Law 14-165 became effective on June 25, 2002.

**Legislative history of Law 14-213.** — For Law 14-213, see notes following § 47-820.

**Legislative history of Law 15-105.** — For Law 15-105, see notes following § 47-902.

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Legislative history of Law 16-59.** — Law 16-59, the “Domestic Partner Health Care Benefits Tax Exemption Act of 2005,” was introduced in Council and assigned Bill No. 16-405 which was referred to the Committee on Fi-

nance and Revenue. The Bill was adopted on first and second readings on November 1, 2005, and December 6, 2005, respectively. Signed by the Mayor on December 22, 2005, it was assigned Act No. 16-221 and transmitted to both Houses of Congress for its review. D.C. Law 16-59 became effective on March 8, 2006.

**Legislative history of Law 16-294.** — Law 16-294, the “Second Technical Amendments Act of 2006,” was introduced in Council and assigned Bill No. 16-996, which was referred to Committee on the Whole. The Bill was adopted on first and second readings on November 14, 2006, and December 5, 2006, respectively. Signed by the Mayor on December 28, 2006, it was assigned Act No. 16-653 and transmitted to both Houses of Congress for its review. D.C. Law 16-294 became effective on March 14, 2007.

**Legislative history of Law 16-305.** — For Law 16-305, see notes following § 47-802.

**Legislative history of Law 18-55.** — Law 18-55, the “Anacostia River Clean Up and Protection Act of 2009,” was introduced in Council and assigned Bill No. 18-155, which was referred to the Committees on Finance and Revenue and Government Operations and the Environment. The Bill was adopted on first and second readings on June 2, 2009, and June 16, 2008, respectively. Enacted without signature by the Mayor on July 6, 2009, it was assigned Act No. 18-134 and transmitted to both Houses of Congress for its review. D.C. Law 18-55 became effective on September 23, 2009.

**Legislative history of Law 18-111.** — For Law 18-111, see notes following § 47-305.02.

**Legislative history of Law 18-316.** — Law 18-316, the “Computation of Gross Income Clarification Act of 2010,” was introduced in Council and assigned Bill No. 18-726, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 9, 2010, and November 23, 2010, respectively. Signed by the Mayor on December 9, 2010, it was assigned Act No. 18-637 and transmitted to both Houses of Congress for its review. D.C. Law 18-316 became effective on March 12, 2011.

**Legislative history of Law 18-331.** — Law 18-331, the “Sustainable Energy Utility Amendment Act of 2010,” was introduced in Council and assigned Bill No. 18-932, which was referred to the Committee on Government Operations and the Environment. The Bill was adopted on first and second readings on November 23, 2010, and December 7, 2010, respectively. Signed by the Mayor on December 28, 2010, it was assigned Act No. 18-653 and transmitted to both Houses of Congress for its review. D.C. Law 18-331 became effective on March 31, 2011.

**Legislative history of Law 19-2.** — For history of Law 19-21, see notes under § 47-305.02.

**Short title.** — Short title: Section 7120 of D.C. Law 18-111 provided that subtitle J of title VII of the act may be cited as the "Recovery Act Tax Deduction Decoupling Act of 2009".

Short title: Section 8151 of D.C. Law 19-21 provided that subtitle P of title VIII of the act may be cited as "Interest Earned on Out-of-State Bonds Act of 2011".

Short title of subtitle JJ of title I of Law 16-33: Section 1290 of D.C. Law 16-33 provided that subtitle JJ of title I of the act may be cited as the Disabled Persons Tax Reduction Act of 2005.

**References in text.** — Section 205 or 206 of the Housing Act of 2001, referred to in subsec. (a)(2)(R), probably means section 205 or 206 of D.C. Law 14-114, the Housing Act of 2002, which is classified to §§ 42-2851.05 and 42-2851.06.

**Editor's notes.** — Applicability and expiration of §§ 1292 and 1293 of D.C. Law 16-33: Sections 1292 and 1293 of D.C. Law 16-33, as amended by D.C. Law 17-219, § 7068(j), (k), provided:

"Sec. 1292. Conditional applicability.

"(a) Section 1291 shall apply for taxable years beginning after September 30, 2005.

"(b) Repealed.

"Sec. 1293. Repealed."

Section 3 of D.C. Law 18-316 provided: "Sec. 3. Applicability. Section 2 shall apply as of January 1, 2010."

Section 8153 of D.C. Law 19-21 provided: "Sec. 8153. Applicability. This subtitle shall apply for tax years beginning January 1, 2011."

Section 105(d) of the Internal Revenue Code of 1986, 26 U.S.C. § 105(d), referred to in (a)(2)(M), was repealed by Pub. L. 98-21, title I, § 122(b), April 20, 1983, 97 Stat. 87.

Mayor authorized to issue regulations: Section 401 of D.C. Law 4-150 and § 9 of D.C. Law 5-32 provided that the Mayor shall issue regulations necessary to carry out the provisions of these acts.

Tax exemption: See § 40-853.

Section 3 of D.C. Law 14-165 provided that section 2 shall apply to taxable years beginning on January 1, 2001.

## CASE NOTES

### ANALYSIS

Construction.

Distributions and dividends.

Gross income defined.

In general.

### Construction.

Where no policies appeared to require otherwise, Congress is assumed to have intended similar constructions of both the District of Columbia and the federal tax statutes. *District of Columbia v. ACF Industries, Inc.*, 350 F.2d 795, 1965 U.S. App. LEXIS 4668 (C.A.D.C. 1965).

Tax laws are to be strictly construed against the state and in favor of the taxpayer. *School St. Assocs. v. District of Columbia*, 764 A.2d 798, 2001 D.C. App. LEXIS 4 (2001).

### Distributions and dividends.

To extent that corporation's liquidating shares represented its earned surplus, they were properly considered under District of Columbia taxing statutes to be dividends constituting gross income to recipient shareholders. *D.C. Code § 47-1551c(m)*. *Verkouteren v. District of Columbia*, 433 F.2d 461, 1969 U.S. App. LEXIS 9039 (C.A.D.C. 1970).

Where corporation liquidates entirely, distribution from its earnings constitutes dividend for District of Columbia income tax purposes. *D.C. Code 1961, § 47-1551c(m)*. *Doyle v. District of Columbia*, 363 F.2d 694, 1966 U.S. App. LEXIS 5633 (C.A.D.C. 1966).

Purported sale of corporate stock by taxpayer, who was majority stockholder of corpo-

ration, who had controlled operation of corporation, and who, in negotiating sale, dominated course of dealings prescribed by him, at rates apparently fixed by him, to end that he would receive his share of corporation's capital and its previously undistributed earnings, constituted dividend, for income tax purposes, and not sale of capital assets so as to exclude gain from gross income. *D.C. Code 1961, §§ 47-1557a(b)(11), 47-1551c(m)*. *Doyle v. District of Columbia*, 363 F.2d 694, 1966 U.S. App. LEXIS 5633 (C.A.D.C. 1966).

Where corporation sold all of its tangible assets, in return for which it received cash or its equivalent, and proceeds of the sale were reflected on corporation's books as earned surplus, when such funds were distributed in the course of corporation's liquidation the estate which managed the corporation received a taxable dividend. *D.C. Code 1961, §§ 47-1551c(m), 47-1557a(a)*. *Estate of Uline v. District of Columbia*, 360 F.2d 820, 1966 U.S. App. LEXIS 7001 (C.A.D.C. 1966).

Under law of District of Columbia, distributions from corporate earnings were dividends, fully taxable, but distributions from depreciation reserves were not income subject to tax. *D.C. Code 1961, §§ 47-1551c(l, m), 47-1557a(b) and (b)(11), 47-1583e*. *District of Columbia v. Goldman*, 328 F.2d 520, 1963 U.S. App. LEXIS 3349 (C.A.D.C. 1963).

### Gross income defined.

"Gross income" within District of Columbia income tax statute did not mean, without more,



"income derived from any source whatever", and scope of phrase is limited by exceptions built into Code. D.C. Code 1961, § 47-1557a. *District of Columbia v. Goldman*, 328 F.2d 520, 1963 U.S. App. LEXIS 3349 (C.A.D.C. 1963).

#### In general.

General policy of District of Columbia taxing statutes is to tax gains, and exclusions are not broadly construed. *Verkouteren v. District of Columbia*, 433 F.2d 461, 1969 U.S. App. LEXIS 9039 (C.A.D.C. 1970).

In view of findings clearly establishing that good will of an acquired company was a capital asset held more than two years, gain from sale of such capital asset was exempt from franchise tax. D.C. Code 1961, §§ 47-1551c(l), 47-1557a(b)(11). *ACF Industires, Inc. v. District of*

*Columbia*, 382 F.2d 463, 1967 U.S. App. LEXIS 5800 (C.A.D.C. 1967).

District of Columbia Income and Franchise Tax Act did not by its terms subject to tax income earned in the first three months of year by person who was domiciled in another state and then moved to the District in which he became a domicile and resident thereof for the remaining nine months of the year and who paid tax to District on income earned for nine months in which he was a domicile. D.C. Code 1961, §§ 47-1551 et seq., 47-1551c(s), 47-1567, 47-1567a and (d, e) 47-1567b. *District of Columbia v. Davis*, 371 F.2d 964, 1967 U.S. App. LEXIS 7907 (C.A.D.C. 1967), writ of certiorari denied by 386 U.S. 1034, 87 S. Ct. 1487, 18 L. Ed. 2d 598, 1967 U.S. LEXIS 1609 (1967). = —

### § 47-1803.03. Gross income — Deductions.

(a) *Deductions allowed.* — The following deductions shall be allowed from gross income in computing net income of corporations, financial institutions, unincorporated businesses and partnerships:

(1) *Expenses.* — All the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business (except as otherwise provided herein); traveling expenses while away from home in the pursuit of a trade or business; and rentals or other payments required to be made as a condition to the continued use or possession, for purposes of the trade or business, of property to which the taxpayer has not taken or is not taking title or in which he has no equity. Any business expenses allowed under this paragraph shall be subject to the same limitations as provided for in the Internal Revenue Code of 1986.

(2) *Interest.* — All interest paid or accrued within the taxable year on indebtedness which is deductible under the provisions of § 163 of the Internal Revenue Code of 1986.

(3) *Taxes.* — All taxes paid or accrued during the taxable year which are deductible under the provisions of § 164 of the Internal Revenue Code of 1986; provided, however, that no deduction shall be allowed for:

(A) Income taxes; or

(B) Franchise taxes imposed by this chapter.

(4) *Losses.* —

(A) Losses sustained during the taxable year and not compensated for by insurance or otherwise:

(i) If incurred in a trade or business; or

(ii) If incurred in any transaction entered into for the production or collection of income subject to tax under this chapter, or for the management, conservation, or maintenance of property held for the production of income subject to tax under this chapter, though not connected with any trade or business; or

(iii) Of property not connected with a trade or business, if the losses arise from fire, storm, shipwreck, or other casualty, or from theft.

(B) [Deleted].

(5) *Bad debts.* — Debts ascertained to be worthless and determined as deductible under § 166 and related sections of the Internal Revenue Code of 1986.

(6) *Insurance premiums.* — All fire, tornado, and casualty insurance premiums paid during the taxable year in connection with property held for investment or used in a trade or business, the income from which is taxable under this chapter.

(7) *Depreciation.* — A reasonable allowance for exhaustion, wear, and tear of property used in the trade or business, including a reasonable allowance for obsolescence; and including in the case of natural resources, allowances for depletion as permitted by reasonable rules which the Mayor may promulgate. No deduction shall be allowed for the special depreciation allowance under section 168(k) of the Internal Revenue Code of 1986 [26 U.S.C. § 168(k)]. The basis upon which such allowances are to be computed shall be the basis provided for in § 47-1811.04.

(8) *Charitable contributions.* — Contributions or gifts, actually paid within the taxable year to or for the use of the District of Columbia, but only if the contribution or gift is made exclusively for public purposes, or any religious, charitable, scientific, literary, military, or educational institution, and no part of the net income of which inures to the benefit of any private shareholder or individual; provided, however, that such deductions shall be allowed only in an amount which in the aggregate of all such deductions does not exceed 15% of the adjusted gross income. For purposes of this section, the term “actually paid”, when used with reference to the District of Columbia, includes compensation waived under § 1-611.15.

(9) *Contributions of an employer to an employees’ trust or annuity plan and compensation under a deferred-payment plan.* — In the return of an employer, contributions made by such employer to an employees’ trust or annuity plan and compensation under a deferred-payment plan to the extent that deductions for the same are allowed the taxpayer under the provisions of § 404 of the Internal Revenue Code of 1986 (§ 404 of Title 26, United States Code).

(10) *Allocation of deductions.* — In the case of corporations, financial institutions and unincorporated businesses, the deductions provided for in this section shall be allowed only for and to the extent that they are connected with income arising from sources within the District within the meaning of §§ 47-1810.01 to 47-1810.03; and the proper apportionment and allocation of the deductions to be allowed shall be determined by the Mayor under formula or formulas provided for in § 47-1810.02.

(11) *Reasonable allowance for salaries.* — A reasonable allowance for salaries or other compensation for personal services actually rendered, except:

(A) No allowance shall be made for salaries or wages in an amount equal to the amount of the credit allowed under §§ 47-1808.04 and 47-1808.07; and

(B) In the case of an unincorporated business subject to the tax imposed by subchapter VIII of this chapter, the aggregate deduction for services



rendered by individual owners or members actively engaged in the conduct of the unincorporated business shall not exceed 30% of the net income of the business, computed without the benefit of this deduction.

(12) *Regulated investment companies.* — In the case of a regulated investment company as defined in § 851 of the Internal Revenue Code of 1986, which meets the requirements of § 852(a) of the Internal Revenue Code of 1986:

(A) The dividends paid by the regulated investment company which qualify for the dividends-paid deduction under § 852(b)(2)(D) and 852(b)(3)(A)(ii) of the Internal Revenue Code of 1986, including dividends considered as having been paid during the taxable year by reason of § 855 of the Internal Revenue Code of 1986; and

(B) Such amount as the regulated investment company shall designate for purposes of § 852(b)(3)(D)(ii) of the Internal Revenue Code of 1986 as undistributed long-term capital gains to be included in computing the long-term capital gains of the shareholder. Such amounts shall be included as gains from the sale or exchange of capital assets, as defined in this chapter, in computing such shareholder's taxable income as defined in § 47-1806.1 [§ 47-1806.01].

(13) *Real estate investment trusts.* — In the case of a real estate investment trust as defined in § 856 of the Internal Revenue Code of 1986, which meets the requirements of § 857(a) of the Internal Revenue Code of 1986, the dividends paid by the real estate investment trust which qualify for the dividends-paid deduction under § 857(b)(2)(C) and § 857(b)(3)(A)(ii) of the Internal Revenue Code of 1986, including dividends considered as having been paid during the taxable year by reason of § 858 of the Internal Revenue Code of 1986.

(14) *Net operating losses.* — In computing the net income of a corporation, an unincorporated business, or a financial institution, there shall be allowed a deduction for net operating losses, in the same manner as allowed under § 172 of the Internal Revenue Code.

(A) For tax years beginning after December 31, 1999, net operating loss carrybacks shall not be allowed. Corporations, unincorporated businesses, or financial institutions, shall be allowed a deduction for apportioned District of Columbia net operating loss carryover to be deducted from the net income after apportionment.

(B) In the year of the loss, the apportioned District of Columbia net operating loss shall be computed by multiplying the District of Columbia apportionment factor for the loss year against the amount of the net operating loss as defined in § 47-1801.04(34).

(C) The entire amount of the apportioned net operating loss for any taxable year shall be carried forward to the earliest of the succeeding taxable years to which such loss may be carried. The portion of such loss which may be carried to each of the other taxable years shall be the excess, if any, of the amount of such loss over the sum of the apportioned taxable net income, adjusted by any modifications specified in this chapter, for each of the tax years to which such loss may be carried.

(D) The provisions of §§ 381, 382, and 384 of the Internal Revenue Code apply to carryovers. The limitation amount determined under § 382 shall be applied to net income, after apportionment, in each post-change year to which loss is carried.

(E)(i) In the case of a merger, acquisition, or consolidation, any pre-change losses and built-in losses, to the extent apportioned or allocated to the District of Columbia, with the additions, subtractions, modifications and other adjustments required for purposes of this chapter, shall be carried forward and subtracted when computing District of Columbia taxable income.

(ii) If an affiliated group files a federal consolidated return for District of Columbia net operating loss purposes, the net operating loss shall be computed as if the federal return has been filed on a separate basis for the District of Columbia.

(iii) If a company has been given permission by the Mayor to file a consolidated return, only the net operating losses of those corporations listed on the District of Columbia consolidated return may be included in determining the net operating loss deduction.

(F) No deduction shall be allowed for or with respect to losses connected with income producing activities if the income therefrom would not be required to be either assignable to the District of Columbia or included in computing the taxpayer's District of Columbia net income.

(G) The Mayor may require a taxpayer to furnish any information necessary to support a claim for deduction under this section, and no deduction shall be allowed unless the information is furnished.

(15) *Health insurance premiums.* — All health insurance premium expenditures for domestic partners and family members of employees if offered to all of its full-time employees who are District of Columbia residents.

(16) *Subpart F income.* — In computing the taxable income of a corporation, an unincorporated business, or a financial institution, there shall be allowed a deduction for Subpart F income as defined in § 47-1801.04(33) for taxable years beginning after December 31, 1994.

(17) *[Dividends from a wholly-owned subsidiary].* — Notwithstanding paragraph (10) of this subsection and § 47-1810.01(a)(2), in computing the net income of a corporation, there shall be allowed a deduction for all dividends received on or after March 1, 1997, from a wholly-owned subsidiary.

(18) *Election to expense certain depreciable business assets.* —

(A) There shall be allowed as a deduction for the cost of property elected to be treated as not chargeable to capital account under section 179 of the Internal Revenue Code of 1986 an amount equal to the lesser of \$25,000 (or \$40,000 in the case of a Qualified High Technology Company ("QHTC")) or the actual cost of the property for the year the property is placed in service.

(B) If a QHTC is a tenant, the cost of any real property and leasehold improvements incurred by the QHTC shall be treated as costs within the meaning of subparagraph (A) of this paragraph regardless of whether or not such improvements become an integral part of the realty, which improvements shall include improvements described in subsections 702.3, 702.4, and 702.5 of Title 9 of the District of Columbia Municipal Regulations.



## (19) Repealed.

(a-1) *Deduction for domestic production activities disallowed.* — In computing net income of corporations, financial institutions, unincorporated businesses, and partnerships, no deduction from gross income shall be allowed for the amount attributable to domestic production activities under section 199 of the Internal Revenue Code of 1986 [26 U.S.C. § 199].

(b) *Deductions allowed — Generally.* — In the case of an individual, estate, or trust, deductions allowed under this section shall be the same (and to the same extent) as the deductions allowed by the Internal Revenue Code of 1986 on federal individual or fiduciary income tax returns; provided, however, that no deduction may be allowed for the following:

(1) Income taxes;

(2) Franchise taxes imposed by this chapter;

(3) Carryovers of charitable contributions made prior to January 1, 1982, and included as deductions for federal income tax purposes;

(4) Repealed.

(5) Any deduction passing to a stockholder in a small business corporation as defined in § 1371 of the Internal Revenue Code of 1954, making an election under § 1372(a) of the Internal Revenue Code of 1954, or an S Corporation as defined in § 1361(a) and (b) of the Internal Revenue Code of 1986, making an election under § 1362(a) of the Internal Revenue Code of 1986, which is otherwise deductible under the provisions of subsection (a) of this section and which was allowable in determining the taxable income of the small business corporation or S Corporation subject to tax under the provisions of subchapter VII of this chapter;

(6) Repealed.

(7) Repealed.

(8) The amount attributable to domestic production activities under section 199 of the Internal Revenue Code of 1986 [26 U.S.C. § 199].

(b-1) *[Deductions allowed — Long-term care insurance].* — An individual may deduct from gross income the amount the individual pays annually in premiums for long-term care insurance, as defined in § 31-3601(5); provided, that the deduction shall not exceed \$500 per year, per individual, whether the individual files individually or jointly.

(b-2) *[Deductions allowed — Teacher expenses].* —

(1) Beginning January 1, 2006, an individual who has been a classroom teacher in a public school or public charter school in the District of Columbia for the entire year for which the individual is filing or for the entire year prior to the year for which the individual is filing and is approved for teaching by the District of Columbia Public Schools may deduct from gross income:

(A) The amount the individual paid during the year for basic classroom materials and supplies necessary for teaching; provided, that the deduction shall not exceed \$500 per year, per individual, whether the individual files individually or jointly; and

(B) The amount the individual paid during the year as tuition and fees for post-graduate education, professional development, or state licensing examination and testing required for, or related to, improving teacher creden-

tials or maintaining professional certification; provided, that the deduction shall not exceed \$1,500 per year, per individual, whether the individual files individually or jointly.

(2) The deductions under paragraphs (1)(A) and (B) of this subsection shall not be allowed to the extent the same expenses were claimed by the individual in computing federal adjusted gross income for the same taxable year under the Internal Revenue Code 1986.

(b-3) *Depreciation.* —

(1) Notwithstanding the provisions of subsection (b) of this section, there shall be allowed as a deduction a reasonable allowance for exhaustion, wear, and tear of property used in the trade or business, including a reasonable allowance for obsolescence; and including in the case of natural resources, allowances for depletion as permitted by reasonable rules which the Mayor may promulgate. The basis upon which such allowances are to be computed is the basis provided for in § 47-1811.04.

(2) Notwithstanding the provisions of paragraph (1) of this subsection:

(A) No deduction shall be allowed for the special depreciation allowance under section 168(k) of the Internal Revenue Code of 1986 [26 U.S.C. § 168(k)].

(B) There shall be allowed as a deduction for the cost of property elected to be treated as not chargeable to capital account under section 179 of the Internal Revenue Code of 1986 [26 U.S.C. § 179] an amount of equal to the lesser of \$25,000 (or \$40,000 in the case of a Qualified High Technology Company) or the actual cost of the property for the year the property is placed in service.

(b-4) *Limitation on itemized deductions.* —

(1) In the case of an individual whose District adjusted gross income exceeds the applicable amount, the amount of the itemized deductions otherwise allowable for the taxable year shall be reduced by 5% of the excess of the District adjusted gross income over the applicable amount.

(2) For the purposes of this subsection, the term:

(A) “Applicable amount” means \$200,000 (\$100,000, married, filing separately).

(B) “Itemized deductions” does not include the deduction:

(i) Under section 213 of the Internal Revenue Code of 1986 relating to expenses such as, for example, medical or dental;

(ii) For investment interest, as defined in section 163(d) of the Internal Revenue Code of 1986; and

(iii) Under section 165(a) of the Internal Revenue Code of 1986, for casualty or theft losses described in section 165(c)(2) and (3) of the Internal Revenue Code of 1986, or for losses described in section 165(d) of the Internal Revenue Code of 1986.

(3) This subsection shall be applied after the application of any other limitation on the allowance of any itemized deduction.

(4) This subsection shall not apply to any estate or trust.

(c) *Standard deduction.* — Every individual who claims the standard deduction on his or her federal income tax return shall claim the applicable



standard deduction specified in § 47-1801.04(26). Every individual who itemizes deductions on his or her federal income tax return shall itemize the deductions permissible under this chapter. If spouses or domestic partners file separate returns, the applicable standard deduction shall be allowed to neither if the net income of one of the spouses or domestic partners is determined by itemizing deductions.

(d) *Deductions not allowed.* — In computing net income, no deductions shall be allowed in any case for:

- (1) Personal, living, or family expenses;
- (2) Any amount paid out for new buildings or for permanent improvements or betterments, made to increase the value of any property or estate;
- (3) Any amount expended in restoring property or in making good the exhaustion thereof for which an allowance is or has been made;
- (4) Premiums paid on any life insurance policy covering the life of any officer or employee or of any person financially interested in any trade or business carried on by the taxpayer when the taxpayer is directly or indirectly a beneficiary under such policy;

(5) If the net income of an unincorporated business for the taxable year is in excess of the exemption provided in § 47-1808.04, no deduction which is allowed or allowable under subsection (a) of this section from the gross income of any unincorporated business subject to the tax imposed by §§ 47-1808.01 to 47-1808.06 shall be allowed as deduction in the return and computation of the net income of any person entitled to share in the net income of such unincorporated business; and

(6)(A) Expenses incurred to produce income which is either exempt or not subject to taxation under this act.

(B) Notwithstanding subparagraph (A) of this paragraph, for the period beginning January 23, 1983, through September 30, 1984, expenses incurred to produce interest and dividend income on obligations or securities of the United States, or its agencies or instrumentalities, may be treated as expenses incurred to produce taxable income.

(7)(A) Any otherwise deductible interest expense or intangible expense if the interest expense or intangible expense is directly or indirectly paid to, or accrued or incurred by, one or more related members in connection directly or indirectly with one or more direct or indirect transactions.

(B) The disallowance under subparagraph (A) of this paragraph shall not apply to any portion of the interest expense or intangible expense to the extent that the corporation establishes, as determined by the Chief Financial Officer, that:

(i) The transaction giving rise to the payment of the interest expense or intangible expense between the corporation and the related member did not have as a principal purpose the avoidance of any portion of the tax due under this title;

(ii) The interest expense or intangible expense was paid pursuant to arm's length contracts at an arm's length rate of interest or price; and

(iii)(I) During the same taxable year, the related member directly or indirectly paid interest expense to, or the interest expense or intangible expense was accrued or incurred by, a person who is not a related member; or

(II)(aa) The related member was subject to a tax measured by its net income or receipts in the District, a state or possession of the United States, or a foreign nation that has entered into a tax treaty with the United States government;

(bb) A measure of the tax imposed by the District, a state or possession of the United States, or a foreign nation that has entered into a comprehensive tax treaty with the United States government included in the interest expense or intangible expense received by the related member from the corporation; and

(cc) The aggregate effective tax rate imposed on the amounts received by the related member is equal to or greater than 4.5%; provided, that a related member receiving the interest or intangible payment shall not be considered to be subject to a tax merely by virtue of the related member's inclusion in a combined or consolidated return in one or more states.

(C) A subtraction from federal taxable income shall be allowed from the taxable income of a corporation equal to the amount received as royalties, interest, or similar income from intangibles from a related member, to the extent the related member, with respect to the payment, is denied a deduction under subparagraph (A) of this paragraph or there is a similar deduction denial or addition modification of a state, possession of the United States, or of a foreign nation that has entered into a comprehensive tax treaty with the United States government for intangible expenses or interest expenses paid to related members.

(D) For the purposes of this paragraph, the term:

(i) "Aggregate effective tax rate" means the sum of the effective rates of tax imposed by the District of Columbia, states, or possessions of the United States, and foreign nations that have entered into comprehensive tax treaties with the United States government, where a related member receiving a payment of interest expense or intangible expense is subject to tax and where the measure of the tax imposed included the payment.

(ii) "Intangible expense" means:

(I) An expense, loss, or cost for, related to, or in connection directly or indirectly with the direct or indirect acquisition, use, maintenance, management, ownership, sale, exchange, or any other disposition of intangible property, to the extent the expense, loss, or cost is allowed as a deduction or cost in determining taxable income for the taxable year under the Internal Revenue Code of 1986;

(II) A loss related to or incurred in connection directly or indirectly with factoring transactions or discounting transactions; or

(III) A royalty, patent, technical, or copyright and licensing fee; or

(IV) Any other similar expense or cost.

(iii) "Intangible property" means patents, patent applications, trade names, trademarks, service marks, copyrights, and similar types of intangible assets.

(iv) "Interest expense" means an amount directly or indirectly allowed as a deduction under section 163 of the Internal Revenue Code for purposes of determining taxable income under the Internal Revenue Code of 1986.



(v) "Related entity" means a person that, under the attribution rules of section 318 of the Internal Revenue Code of 1986, is:

(I) A stockholder who is an individual or a member of the stockholder's family enumerated in section 318 of the Internal Revenue Code of 1986, if the stockholder and the members of the stockholder's family own directly, indirectly, beneficially, or constructively, in the aggregate, at least 50% of the value of the taxpayer's outstanding stock;

(II) A stockholder or a stockholder's partnership, limited liability company, estate, trust, or corporation, if the stockholder and the stockholder's partnership, limited liability company, estate, trust, or corporation own directly, indirectly, beneficially, or constructively, in the aggregate, at least 50% of the value of the taxpayer's outstanding stock; or

(III) A corporation or a party related to the corporation in a manner that would require an attribution of stock from the corporation to the party or from the party to the corporation under the attribution rules of section 318 of the Internal Revenue Code of 1986, if the taxpayer owns directly, indirectly, beneficially, or constructively, at least 50% of the value of the corporation's outstanding stock.

(vi) "Related member" means:

(I) A person that, with respect to the taxpayer any time during the year, is a related entity;

(II) A component member, as defined in section 1563(b) of the Internal Revenue Code of 1986;

(III) A controlled group of which the taxpayer is also a component;  
or

(IV) Is a person to or from whom there is attribution of stock ownership in accordance with section 1563(e) of the Internal Revenue Code of 1986.

(e) *Lower income rental housing depreciation deduction.* — An investor in a shared equity financing agreement may qualify for a depreciation deduction as provided in § 47-3507.

(July 16, 1947, 61 Stat. 337, ch. 258, art. I, title III, § 3; May 27, 1949, 63 Stat. 130, ch. 146, title IV, §§ 404-409; Mar. 31, 1956, 70 Stat. 69, ch. 154, §§ 3, 4; Sept. 4, 1957, 71 Stat. 606, Pub. L. 85-281, § 4; Oct. 31, 1969, 83 Stat. 177, Pub. L. 91-106, title VI, § 601(b)(3), (4); Aug. 28, 1970, 84 Stat. 834, Pub. L. 91-391, § 1; Jan. 5, 1971, 84 Stat. 1933, Pub. L. 91-650, title II, §§ 204, 205(a); Oct. 21, 1975, D.C. Law 1-23, title VI, § 601(5), (6), 22 DCR 2107; Nov. 1, 1975, D.C. Law 1-31, § 2, 22 DCR 2547; Feb. 3, 1976, D.C. Law 1-44, §§ 2, 3, 23 DCR 4055; June 15, 1976, D.C. Law 1-70, title XI, § 1101, 23 DCR 562; Apr. 19, 1977, D.C. Law 1-124, title IV, § 401(b), 23 DCR 8749; Sept. 23, 1977, D.C. Law 2-19, § 2, 24 DCR 3338; Mar. 6, 1979, D.C. Law 2-158, § 4, 25 DCR 7002; Sept. 13, 1980, D.C. Law 3-92, § 501, 27 DCR 3390; Sept. 13, 1980, D.C. Law 3-95, § 103(b)-(d), 27 DCR 3509; June 11, 1981, D.C. Law 4-7, § 3, 28 DCR 1672; June 11, 1982, D.C. Law 4-118, § 104, 29 DCR 1770; July 24, 1982, D.C. Law 4-131, § 108(a), (b), 29 DCR 2418; Oct. 8, 1983, D.C. Law 5-31, § 10(f), 30 DCR 3879; Oct. 8, 1983, D.C. Law 5-32, § 3(c), 30 DCR 4013; July 24, 1986,

D.C. Law 6-129, § 2(b), 33 DCR 3221; June 24, 1987, D.C. Law 7-9, § 2(f), 34 DCR 3283; Oct. 1, 1987, D.C. Law 7-29, §§ (2)(c)(5)-(17), 4, 34 DCR 5097; Apr. 30, 1988, D.C. Law 7-104, § 39(a)-(c), 35 DCR 147; July 8, 1988, D.C. Law 7-130, § 2(b), 35 DCR 4104; Sept. 21, 1988, D.C. Law 7-141, § 2(b), 35 DCR 5398; Sept. 21, 1988, D.C. Law 7-145, § 2(b), 35 DCR 5407; Oct. 20, 1988, D.C. Law 7-177, § 10(a), 35 DCR 6158; July 26, 1989, D.C. Law 8-17, § 2(b), 36 DCR 4160; June 11, 1992, D.C. Law 9-114, § 11, 39 DCR 2861; June 14, 1994, D.C. Law 10-128, § 103(b), 41 DCR 2096; Apr. 12, 1997, D.C. Law 11-257, § 5, 44 DCR 1247; Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Oct. 20, 1999, D.C. Law 13-38, § 2702(g), 46 DCR 6373; Apr. 3, 2001, D.C. Law 13-256, § 404, 48 DCR 730; Oct. 1, 2002, D.C. Law 14-190, § 832(a), 49 DCR 6968; Dec. 7, 2004, D.C. Law 15-205, § 1062(a), 51 DCR 8441; Apr. 12, 2005, D.C. Law 15-330, § 2, 52 DCR 1979; Mar. 2, 2007, D.C. Law 16-191, §§ 4, 109(d), 53 DCR 6794; Mar. 2, 2007, D.C. Law 16-192, § 4012, 53 DCR 6899; Dec. 11, 2007, D.C. Law 17-61, § 2, 54 DCR 10951; Aug. 16, 2008, D.C. Law 17-219, §§ 7107(a), 7113, 55 DCR 7598; Sept. 12, 2008, D.C. Law 17-231, § 41(g), 55 DCR 6758; Mar. 3, 2010, D.C. Law 18-111, § 7081, 57 DCR 181; Sept. 14, 2011, D.C. Law 19-21, § 8012, 58 DCR 6226.)

**Cross references.** — Election campaigns, organizations authorized to receive unexpended campaign funds, see § 1-1107.02.

**Section references.** — This section is referred to in §§ 42-204, 47-1809.08, 47-1811.04, and 47-1812.11.

**Prior Codifications.** — 1981 Ed., § 47-1803.3.

1973 Ed., § 47-1557b.

**Effect of amendments.** — D.C. Law 13-38 rewrote subsec. (a)(14) adding all material following the introductory paragraph and deleting a provision stating that no operating loss be carried back to any year ending before January 1, 1988.

D.C. Law 13-256 added subsec. (a)(18).

D.C. Law 14-190, in subsec. (a)(7), inserted the second sentence; and, in subsec. (b), substituted “deductions allowed under this section shall be the same (and to the same extent)” for “deductions allowed under this section shall be the same”, made a nonsubstantive change in par. (5), and added par. (6).

D.C. Law 15-205, in subsec. (b), made nonsubstantive changes in pars. (5) and (6), and added par. (7).

D.C. Law 15-330 added subsec. (b-1).

D.C. Law 16-191, added subsec. (a)(19); in subsec. (b-1), substituted “long-term care insurance” for “long term-health care insurance”; and repealed subsec. (b)(7).

D.C. Law 16-192 added subsec. (b-2).

D.C. Law 17-61 rewrote subsec. (b-2).

D.C. Law 17-219 rewrote subsecs. (a)(7), (18); added subsecs. (a-1), (b)(8), and (b-3); and repealed subsec. (b)(6).

D.C. Law 17-231, in subsec. (c), rewrote the last sentence, which had read as follows: “If a

husband and wife file separate returns, the applicable standard deduction shall be allowed to neither if the net income of one of the spouses is determined by itemizing deductions.”

D.C. Law 18-111 repealed subsec. (a)(19); and added subsec. (d)(7).

D.C. Law 19-21 added subsec. (b-4).

**Temporary Amendment of Section.** —

For temporary (225 day) amendment of section, see § 2(a) of Bonus Depreciation De-Coupling From the Internal Revenue Code Temporary Act of 2002 (D.C. Law 14-175, July 23, 2002, law notification 49 DCR 8269).

For temporary (225 day) amendment of section, see § 2 of Bonus Depreciation De-Coupling Temporary of 2004 (D.C. Law 15-118, March 30, 2004, law notification 51 DCR 3805).

For temporary (225 day) amendment of section, see § 2(a) of Depreciation Allowance for Small Business De-Coupling From the Internal Revenue Code Temporary Act of 2004 (D.C. Law 15-160, May 18, 2004, law notification 51 DCR 5700).

Section 2 of D.C. Law 15-316, in subsecs. (a)(7) and (b)(6), substituted “December 31, 2005” for “September 11, 2004”.

Section 4(b) of D.C. Law 15-316 provided that the act shall expire after 225 days of its having taken effect.

Section 2(a) of D.C. Law 15-322, in subsecs. (a)(7) and (b)(6), substituted “September 30, 2005” for “September 11, 2004” and added new sentences at the end to read as follows: “No deduction shall be allowed for the increased expensing for small businesses and subject to the special rules pursuant to section 179 of the Internal Revenue Code of 1986. No expensing



of computer software shall be allowed. No increase shall be allowed in Qualifying Investment at which phaseout begins."

Section 4(b) of D.C. Law 15-322 provided that the act shall expire after 225 days of its having taken effect.

Section 2(f) of D.C. Law 16-102 repealed par. (b)(7); and added par. (a)(19) to read as follows:

"(19) Royalty payments. —

"(A) Royalty payments, if the royalty payments are directly or indirectly paid, accrued, or incurred to a related member during the taxable year and deductible in calculating federal taxable income.

"(B) The disallowance of the deduction under subparagraph (A) of this paragraph shall not apply if and to the extent that the payments satisfy any of the following conditions:

"(i) The related member during the same taxable year directly or indirectly paid, received, accrued, or incurred the amount of the obligation to or from a person or entity that is not a related member, and the transaction was done for a valid business purpose and the payments are made at arm's length;

"(ii) The related member receiving the royalty payments acquired the intangible assets for which royalty payments are being made from a person or entity that was not a related member, the transaction was done for a valid business purpose, and the royalty payments are made at arm's length;

"(iii) The royalty payments are paid or incurred to a related member organized under the laws of a country other than the United States, and the country has entered into a comprehensive income tax treaty with the United States; or

"(iv) The related member receiving the royalty payments is subject to a tax measured by its net income or receipts in a state or possession of the United States imposing a statutory tax rate of at least 4.5%; provided, that a related member receiving the royalty payment shall not be considered to be subject to a tax merely by virtue of the related member's inclusion in a combined or consolidated return in one or more states.

"(C) For the purposes of this paragraph, the term:

"(i) 'Majority interest' means:

"(I) In the case of a corporation, more than 50% of the total combined voting power of all classes of stock of the corporation, or more than 50% of the capital, profits, or beneficial interest in the voting stock of the corporation; or

"(II) In the case of a partnership, association, trust or other entity, more than 50% of the capital, profits, or beneficial interest in the partnership, association, trust or other entity.

"(ii) 'Related entity' means (I) a stockholder who is an individual, or a member of the stockholder's family enumerated in section 318

of the Internal Revenue Code of 1986, if the stockholder and the members of the stockholder's family own, directly, indirectly, beneficially or constructively, in the aggregate, at least 50% of the value of the taxpayer's outstanding stock; (II) a stockholder, or a stockholder's partnership, limited liability company, estate, trust, or corporation, if the stockholder and the stockholder's partnerships, limited liability companies, estates, trusts, and corporations own directly, indirectly, beneficially or constructively, in the aggregate, at least 50% of the value of the taxpayer's outstanding stock; or (III) a corporation, or a party related to the corporation in a manner that would require an attribution of stock from the corporation to the party or from the party to the corporation under the attribution rules of section 318 of the Internal Revenue Code of 1986, if the taxpayer owns, directly, indirectly, beneficially or constructively, at least 50% of the value of the corporation's outstanding stock. The attribution rules of section 318 of the Internal Revenue Code of 1986 shall apply for purposes of determining whether the ownership requirements of this paragraph have been met.

"(iii) 'Related member' means:

"(I) A person that, with respect to the taxpayer any time during the taxable year, is a related entity;

"(II) A component member, as defined in section 1563(b) of the Internal Revenue Code of 1986;

"(III) A controlled group of which the taxpayer is also a component; or

"(IV) Is a person to or from whom there is attribution of stock ownership in accordance with section 1563(e) of the Internal Revenue Code of 1986.

"(iv) 'Royalty payments' mean payments directly connected to the use, maintenance, or management of licenses, trademarks, copyrights, trade names, trade dress, service marks, mask works, trade secrets, patents, and any other similar types of intangible assets as are set forth in regulations promulgated by the Chief Financial Officer, including amounts allowable as interest deductions under § 47-1803.02(a)(2), to the extent that such amounts are directly or indirectly for, related to, or in connection with the use, maintenance, or management of such intangible assets.

"(v) 'State' shall include the District of Columbia.

"(vi) 'Valid business purpose' means one or more business purposes, other than the avoidance or reduction of taxation, which, alone or in combination, constitute the primary motivation for some business activity or transaction, which activity or transaction changes in a meaningful way, apart from tax effects, the economic position of the taxpayer."

Section 11(b) of D.C. Law 16-102 provided that the act shall expire after 225 days of its having taken effect.

Section 2 of D.C. Law 17-7 amended subsec. (b-2) to read as follows:

“(b-2)(1) An individual who has been a classroom teacher in a public school or public charter school in the District of Columbia for the entire year for which the individual is filing or for the entire year prior to the year for which the individual is filing and is approved for teaching by the District of Columbia Public Schools may deduct from gross income:

“(A) The amount the individual paid during the year for basic classroom materials and supplies necessary for teaching; provided, that the deduction shall not exceed \$500 per year, per individual, whether the individual files individually or jointly; and

“(B) The amount the individual paid during the year as tuition and fees for post-graduate education, professional development, or state licensing examination and testing required for or related to improving teacher credentials or maintaining professional certification; provided, that the deduction shall not exceed \$1,500 per year, per individual, whether the individual files individually or jointly.

“(2) The deductions under paragraphs (1)(A) and (B) of this subsection shall not be allowed to the extent the same expenses were claimed by the individual in computing federal adjusted gross income for the same taxable year under the Internal Revenue Code of 1986.”

Section 3 of D.C. Law 17-7 provided that section 2 shall apply as of January 1, 2006.

Section 5(b) of D.C. Law 17-7 provided that the act shall expire after 225 days of its having taken effect.

Section 5 of D.C. Law 19-53 added subsec. (b-4)(5) to read as follows:

“(5) This subsection shall apply for tax years beginning after December 31, 2010”

Section 15(b) of D.C. Law 19-53 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90-day) amendment of section, see § 2702(g) of the Service Improvement and Fiscal Year 2000 Budget Support Emergency Act of 1999 (D.C. Act 13-110, July 28, 1999, 46 DCR 6320).

For temporary (90 day) amendment of section, see § 2(a) of Bonus Depreciation De-coupling from the Internal Revenue Code Emergency Act of 2002 (D.C. Act 14-341, April 24, 2002, 49 DCR 4291).

For temporary (90 day) amendment of section, see § 2 of Bonus Depreciation De-Coupling Emergency Act of 2003 (D.C. Act 15-280, December 18, 2003, 51 DCR 78).

For temporary (90 day) amendment of section, see § 2(a) of Depreciation Allowance for Small Business De-Coupling from the Internal

Revenue Code Emergency Amendment Act of 2004 (D.C. Act 15-379, February 27, 2004, 51 DCR 2645).

For temporary (90 day) amendment of section, see § 1062(a) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) amendment of section, see § 1062(a) of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

For temporary (90 day) amendment of section, see § 2 of Bonus Depreciation De-Coupling Emergency Act of 2004 (D.C. Act 15-621, November 30, 2004, 51 DCR 11458).

For temporary (90 day) amendment of section, see § 2(a) of Depreciation Allowance for Small Business De-Coupling from the Internal Revenue Code Second Emergency Act of 2004 (D.C. Act 15-644, December 29, 2004, 52 DCR 229).

For temporary (90 day) amendment of section, see § 2 of Bonus Depreciation De-Coupling Congressional Review Emergency Act of 2005 (D.C. Act 16-27, February 17, 2005, 52 DCR 2987).

For temporary (90 day) amendment of section, see § 2(a) of Depreciation Allowance for Small Business De-Coupling for the Internal Revenue Code Congressional Review Emergency Amendment Act of 2005 (D.C. Act 16-59, March 17, 2005, 52 DCR 3193).

For temporary (90 day) amendment of section, see § 2(a) of Depreciation Allowance for Small Business De-Coupling from the Internal Revenue Code Emergency Act of 2005 (D.C. Act 16-240, December 22, 2005, 53 DCR 260).

For temporary (90 day) amendment of section, see § 2(f) of Finance and Revenue Technical Amendments Emergency Amendment Act of 2006 (D.C. Act 16-260, January 26, 2006, 53 DCR 780).

For temporary (90 day) amendment of section, see § 2(f) of Finance and Revenue Technical Amendments Congressional Review Emergency Amendment Act of 2006 (D.C. Act 16-361, April 26, 2006, 53 DCR 3619).

For temporary (90 day) amendment of section, see § 4012 of Fiscal Year 2007 Budget Support Emergency Act of 2006 (D.C. Act 16-477, August 8, 2006, 53 DCR 7068).

For temporary (90 day) amendment of section, see § 4012 of Fiscal Year 2007 Budget Support Congressional Review Emergency Act of 2006 (D.C. Act 16-499, October 23, 2006, 53 DCR 8845).

For temporary (90 day) amendment of section, see §§ 2, 25(d) of Finance and Revenue Technical Amendments Second Emergency Amendment Act of 2006 (D.C. Act 16-585, December 28, 2006, 54 DCR 340).



For temporary (90 day) amendment of section, see § 4012 of Fiscal Year 2007 Budget Support Congressional Review Emergency Act of 2007 (D.C. Act 17-1, January 16, 2007, 54 DCR 1165).

For temporary (90 day) amendment of section, see § 2 of Quality Teacher Initiative Clarification Emergency Act of 2007 (D.C. Act 17-22, March 22, 2007, 54 DCR 2782).

For temporary (90 day) amendment of section, see §§ 7031, 7032 of Fiscal Year 2010 Budget Support Emergency Act of 2009 (D.C. Act 18-187, August 26, 2009, 56 DCR 7374).

For temporary (90 day) amendment of section, see § 7081 of Fiscal Year 2010 Budget Support Second Emergency Act of 2009 (D.C. Act 18-207, October 15, 2009, 56 DCR 8234).

For temporary (90 day) amendment of section, see § 7081 of Fiscal Year Budget Support Congressional Review Emergency Amendment Act of 2009 (D.C. Act 18-260, January 4, 2010, 57 DCR 345).

For temporary (90 day) amendment of section, see § 5 of Revised Fiscal Year 2012 Budget Support Technical Clarification Emergency Amendment Act of 2011 (D.C. Act 19-157, October 4, 2011, 58 DCR 8688).

**Legislative history of Law 1-23.** — For legislative history of D.C. Law 1-23, see Historical and Statutory Notes following § 471801.04.

**Legislative history of Law 1-31.** — Law 1-31, the “District of Columbia Unincorporated Business Franchise Tax Revision Act of 1975,” was introduced in Council and assigned Bill No. 1-169, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on July 22, 1975 and August 5, 1975, respectively. Signed by the Mayor on August 13, 1975, it was assigned Act No. 1-43 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 1-44.** — Law 1-44, the “Amended Unincorporated Business Franchise Tax Revision Act of 1975,” was introduced in Council and assigned Bill No. 1-188, which was referred to the Committee on Housing and Urban Development. The Bill was adopted on first and second readings on October 7, 1975 and October 21, 1975, respectively. Signed by the Mayor on November 5, 1975, it was assigned Act No. 1-62 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 1-70.** — Law 1-70, the “Revenue Act of 1976,” was introduced in Council and assigned Bill No. 1-229, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings and reconsiderations of final reading on February 20, 1976, March 11, 1976 and April 6, 1976, respectively. Signed by the Mayor on April 20, 1976, it was assigned Act

No. 1-106 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 1-124.** — For legislative history of D.C. Law 1-124, see Historical and Statutory Notes following § 471803.02.

**Legislative history of Law 2-19.** — Law 2-19, the “Act to Provide Deductions for Deed Recordation Taxes and Motor Vehicle Fees and for Accelerated Payment of Taxes, Insurance Premium Receipts,” was introduced in Council and assigned Bill No. 2-109, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on May 17, 1977 and May 31, 1977, respectively. Signed by the Mayor on June 21, 1977, it was assigned Act No. 2-48 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 2-158.** — For legislative history of D.C. Law 2-158, see Historical and Statutory Notes following § 471801.04.

**Legislative history of Law 3-92.** — Law 3-92, the “District of Columbia Revenue Act of 1980,” was introduced in Council and assigned Bill No. 3-285, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 17, 1980 and July 1, 1980, respectively. Signed by the Mayor on July 9, 1980, it was assigned Act No. 3-214 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 3-95.** — For legislative history of D.C. Law 3-95, see Historical and Statutory Notes following § 471801.04.

**Legislative history of Law 4-7.** — Law 4-7, the “District of Columbia Government Comprehensive Merit Personnel Act Compensation Setting Grievance and Adverse Action Reform, and Tax Waiver Amendments of 1981,” was introduced in Council and assigned Bill No. 4-38, which was referred to the Committee on Government Operations. The Bill was adopted on first and second readings on March 10, 1981 and March 24, 1981, respectively. Signed by the Mayor on April 9, 1981, it was assigned Act No. 4-18 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 4-118.** — For legislative history of D.C. Law 4-118, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 4-131.** — For legislative history of D.C. Law 4-131, see Historical and Statutory Notes following § 471801.04.

**Legislative history of Law 5-31.** — Law 5-31, the “Lower Income Homeownership Tax Abatement and Incentives Act of 1983,” was introduced in Council and assigned Bill No. 5-167, which was referred to the Committee on Finance and Revenue. The Bill was adopted on

first and second readings on June 28, 1983 and July 12, 1983, respectively. Signed by the Mayor on July 21, 1983, it was assigned Act No. 5-53 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 5-32.** — For legislative history of D.C. Law 5-32, see Historical and Statutory Notes following § 471816.03.

**Legislative history of Law 6-129.** — For legislative history of D.C. Law 6-129, see Historical and Statutory Notes following § 471803.02.

**Legislative history of Law 7-9.** — For legislative history of D.C. Law 7-9, see Historical and Statutory Notes following § 471801.04.

**Legislative history of Law 7-29.** — For legislative history of D.C. Law 7-29, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 7-104.** — Law 7-104, the "Technical Amendments Act of 1987," was introduced in Council and assigned Bill No. 7-346, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 24, 1987, and December 8, 1987, respectively. Signed by the Mayor on December 22, 1987, it was assigned Act No. 7-124 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 7-130.** — For legislative history of D.C. Law 7-130, see Historical and Statutory Notes following § 471803.02.

**Legislative history of Law 7-141.** — For legislative history of D.C. Law 7-141, see Historical and Statutory Notes following § 471801.04.

**Legislative history of Law 7-145.** — For legislative history of D.C. Law 7-145, see Historical and Statutory Notes following § 471803.02.

**Legislative history of Law 7-177.** — Law 7-177, the "Economic Development Zone Incentives Amendment Act of 1988," was introduced in Council and assigned Bill No. 7-208, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 28, 1988 and July 12, 1988, respectively. Signed by the Mayor on August 2, 1988, it was assigned Act No. 7-237 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 8-17.** — For legislative history of D.C. Law 8-17, see Historical and Statutory Notes following § 471803.02.

**Legislative history of Law 9-114.** — Law 9-114, the "Health Care Benefits Expansion Act of 1992," was introduced in Council and assigned Bill No. 9-162, which was referred to the Committee on Consumer and Regulatory Af-

fairs. The Bill was adopted on first and second readings on March 3, 1992, and April 7, 1992, respectively. Signed by the Mayor on April 15, 1992, it was assigned Act No. 9-188 and transmitted to both Houses of Congress for its review. D.C. Law 9-114 became effective on June 11, 1992.

**Legislative history of Law 10-128.** — For legislative history of D.C. Law 10-128, see Historical and Statutory Notes following § 471801.04.

**Legislative history of Law 11-257.** — Law 11-257, the "Recorder of Deeds Recordation Surcharge Amendment Act of 1996," was introduced in Council and assigned Bill No. 11-670, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 7, 1996, and December 3, 1996, respectively. Signed by the Mayor on December 24, 1996, it was assigned Act No. 11-512 and transmitted to both Houses of Congress for its review. D.C. Law 11-257 became effective April 12, 1997.

**Legislative history of Law 13-38.** — For Law 13-38, see notes following § 47-1801.04.

**Legislative history of Law 13-256.** — For Law 13-256, see notes under § 47-1508.

**Legislative history of Law 14-190.** — For Law 14-190, see notes following § 47-308.01.

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-903.

**Legislative history of Law 15-316.** — Law 15-316, the "Bonus Depreciation De-Coupling Temporary Act of 2004," was introduced in Council and assigned Bill No. 15-1111, and was retained by Council. The Bill was adopted on first and second readings on November 9, 2004, and December 7, 2004, respectively. Signed by the Mayor on January 4, 2005, it was assigned Act No. 15-713 and transmitted to both Houses of Congress for its review. D.C. Law 15-316 became effective on April 8, 2005.

**Legislative history of Law 15-322.** — Law 15-322, the "Depreciation Allowance For Small Business De-Coupling from the Internal Revenue Code Second Temporary Act of 2004," was introduced in Council and assigned Bill No. 15-1146, and was retained by Council. The Bill was adopted on first and second readings on December 7, 2004, and December 21, 2004, respectively. Signed by the Mayor on January 19, 2005, it was assigned Act No. 15-736 and transmitted to both Houses of Congress for its review. D.C. Law 15-322 became effective on April 8, 2005.

**Legislative history of Law 15-330.** — Law 15-330, the "Long-Term Care Insurance Tax Deduction Act of 2004," was introduced in Council and assigned Bill No. 15-136, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on December 7, 2004, and December 21, 2004, respectively. Signed by the



Mayor on January 19, 2005, it was assigned Act No. 15-739 and transmitted to both Houses of Congress for its review. D.C. Law 15-330 became effective on April 12, 2005.

**Legislative history of Law 16-191.** — For Law 16-191, see notes following § 47-308.02.

**Legislative history of Law 16-192.** — For Law 16-192, see notes following § 47-340.23.

**Legislative history of Law 17-61.** — Law 17-61, the “Quality Teacher Incentive Clarification Act of 2007”, was introduced in Council and assigned Bill No. 17-140 which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on July 10, 2007, and October 2, 2007, respectively. Signed by the Mayor on October 18, 2007, it was assigned Act No. 17-162 and transmitted to both Houses of Congress for its review. D.C. Law 17-61 became effective on December 11, 2007.

**Legislative history of Law 17-219.** — For Law 17-219, see notes following § 47-318.05a.

**Legislative history of Law 17-231.** — For Law 17-231, see notes following § 47-802.

**Legislative history of Law 18-111.** — For Law 18-111, see notes following § 47-305.02.

**Legislative history of Law 19-21.** — For history of Law 19-21, see notes under § 47-305.02.

**Short title.** — Short title: Section 4011 of D.C. Law 16-192 provided that subtitle B of title IV of the act may be cited as the “Quality Teacher Incentive Act of 2006”.

Short title: Section 7106 of D.C. Law 17-219 provided that subtitle L of title VII of the act may be cited as the “Decoupling from Accelerated Depreciation and Expensing Act of 2008”.

Short title: Section 7112 of D.C. Law 17-219 provided that subtitle N of title VII of the act may be cited as the “Decoupling From Domestic Production Activities Act of 2008”.

Short title: Section 7080 of D.C. Law 18-111 provided that subtitle F of title VII of the act may be cited as the “Interest Expense and Intangible Expense Paid to Related Parties Disallowance Act of 2009”.

Short title: Section 8011 of D.C. Law 19-21 provided that subtitle B of title VIII of the act may be cited as “Itemized Deduction Limitation Act of 2011”.

Short title of subtitle C of title VIII of Law 14-190: Section 831 of D.C. Law 14-190 provided that subtitle C of title VIII of the act may be cited as the Bonus Depreciation De-Coupling from the Internal Revenue Code Act of 2002.

Short title of subtitle G of title I of Law 15-205: Section 1061 of D.C. Law 15-205 provided that subtitle G of title I of the act may be cited as the Corporate Income Tax Base Protection Act of 2004.

**Effective date.** — Section 7082 of D.C. Law 18-111 provided: “Section 7081 shall be effective for taxable years beginning after December

31, 2008.”

**References in text.** — Section 163 of the Internal Revenue Code of 1986, referred to in (a)(2), is codified as 26 U.S.C. § 163.

Section 164 of the Internal Revenue Code of 1986, referred to in (a)(3), is codified as 26 U.S.C. § 164.

Section 166 of the Internal Revenue Code of 1986, referred to in (a)(5), is codified as 26 U.S.C. § 166.

Section 168(k) of the Internal Revenue Code of 1986, referred to in subsecs. (a)(7) and (b)(6) is codified as 26 U.S.C. § 168(k).

Sections 851, 852 and 855 of the Internal Revenue Code of 1954, referred to throughout paragraph (12) of subsection (a) of this section, are classified to 26 U.S.C. §§ 851, 852 and 855.

26 U.S.C. § 852(b)(3)(A), referred to in subsection (a)(12), was amended by P.L. 94-455, § 1901(b)(33)(J)(i) and thereafter did not contain a subparagraph (ii).

Sections 856, 857 and 858 of the Internal Revenue Code of 1954, referred to throughout paragraph (13) of subsection (a) of this section, are classified to 26 U.S.C. §§ 856, 857 and 858.

The reference in subsection (a)(13) of this section to § 857 (b)(2)(C) of the Internal Revenue Code of 1986 should probably be to § 857 (b)(2)(B) of the Internal Revenue Code of 1986.

Section 172 of the Internal Revenue Code of 1986, referred to in (a)(14), is codified as 26 U.S.C. § 172.

Sections 1371 and 1372(a) of the Internal Revenue Code of 1954, referred to in (b)(5), are codified as 26 U.S.C. §§ 1371 and 1372(a).

Sections 1361(a) and (b) and 1362(a) of the Internal Revenue Code of 1986, referred to in (b)(5), are codified as 26 U.S.C. §§ 1361(a) and (b) and 1362(a).

Section 318 of the Internal Revenue Code of 1986, referred to in sub-subpar. (ii) of subpar. (C) of par. (7) of subsec. (b), is classified to 26 U.S.C. § 318.

Section 1563 of the Internal Revenue Code of 1986, referred to in sub-sub-subpars. (II) and (IV) of sub-subpar. (iii) of subpar. (C) of par. (7) of subsec. (b), is classified to 26 U.S.C. § 1563.

“This act,” referred to in subsection (d)(6)(A), is 61 Stat. 331.

**Editor’s notes.** — Section 7045 of D.C. Law 17-219 repealed section 3 of D.C. Law 15-330.

Section 7114 of D.C. Law 17-219 provided that this subtitle shall apply for taxable years beginning after December 31, 2008.

Mayor authorized to issue regulations: Section 9 of D.C. Law 5-32 provided that the Mayor shall issue regulations necessary to carry out the provisions of the act.

Mayor authorized to issue rules: Section 13 of D.C. Law 7-177 provided that the Mayor shall issue rules to implement the provisions of the act.

CASE NOTES

ANALYSIS

Bad debts.  
Burden of proof.  
Depreciation.  
Expenses.  
In general.  
Net operating losses.  
Review.

**Bad debts.**

In action challenging imposition of deficiency assessments of corporation franchise taxes, evidence supported finding that business debts owed to accrual method taxpayer were not so likely to be "uncollectible" as to be excludable from taxpayer's gross income, and thus, taxpayer improperly used "hybrid" accounting method whereby certain sales were considered to have taken place only when payment was received; to obtain beneficial tax treatment of any accounts receivable which it considered questionable, taxpayer should have included them in gross income, and then either claimed deduction for each bad debt or increased its reserve for bad debts in year which debt became wholly or partially worthless. D.C. Code 1981, §§ 47-1803.3(a)(5), 47-1804.1; D.C. Code 1973, § 47-1561; 26 U.S.C. § 41. *Automatic Enterprises, Inc. v. District of Columbia*, 465 A.2d 388, 1983 D.C. App. LEXIS 454 (1983).

**Burden of proof.**

The burden of clearly showing the right to the claimed deduction is on the taxpayer. *School St. Assocs. v. District of Columbia*, 764 A.2d 798, 2001 D.C. App. LEXIS 4 (2001).

**Depreciation.**

Depreciation deductions are allowable under only statutory authorization. D.C. Code §§ 47-1557b(a)(7), 47-1574, 47-1574b. *Lenkin v. District of Columbia*, 461 F.2d 1215, 1972 U.S. App. LEXIS 11248 (C.A.D.C. 1972).

Fact that liquidating distribution which was received on dissolution of corporation consisted chiefly of apartment building which was distributed, subject to outstanding corporate debts, to its stockholders who promptly discharged indebtedness and continued, through medium of newly formed partnership, the preexisting corporate business of operating the apartment building did not fall within categories for which applicable statute specified basis on which depreciation deductions were to be made did not mean that no deduction for depreciation was allowable in computing income and franchise tax. D.C. Code §§ 47-1557b(a)(7), 47-1583e. *Lenkin v. District of Columbia*, 461 F.2d 1215, 1972 U.S. App. LEXIS 11248 (C.A.D.C. 1972).

Where market value of depreciable asset received by taxpayers on corporate liquidation exceeds that of depreciation value on books of corporation, taxpayers may not use market value as basis for depreciation deductions. D.C. Code § 47-1583e. *Lenkin v. District of Columbia*, 461 F.2d 1215, 1972 U.S. App. LEXIS 11248 (C.A.D.C. 1972).

Under 1947 Income and Franchise Tax Act, where dissolved corporation's debts on liquidation exceeded value at which apartment building and equipment were carried on corporate book, distributee's depreciation base would be limited to that which dissolved corporation had not itself already recovered through depreciation deductions. D.C. Code §§ 47-1557b(a)(7), 47-1583e. *Lenkin v. District of Columbia*, 461 F.2d 1215, 1972 U.S. App. LEXIS 11248 (C.A.D.C. 1972).

Liquidating distributions arising through dissolution of corporation and distribution of its assets, subject to outstanding corporate debts, to its stockholders who promptly discharged indebtedness and continued, through medium of newly formed partnership, preexisting corporate business of operating apartment house did not fall squarely within categories for which District of Columbia Income and Franchise Tax Act of 1947 specified basis on which depreciation deductions were to be made. D.C. Code § 47-1583e. *Lenkin v. District of Columbia*, 461 F.2d 1215, 1972 U.S. App. LEXIS 11248 (C.A.D.C. 1972).

Where taxpayer received real property in corporate dissolution in 1953, proper depreciation basis of these properties could not exceed total of taxpayer's interest in earned surplus account at time of dissolution, and where such amount had already been more than exhausted by depreciation deductions taken by taxpayer for years 1953 through 1959 no allowance for 1960 and 1961 District of Columbia income taxes would be permitted. D.C. Code 1961, §§ 47-1551c(m), 47-1557a(b)(11), 47-1557b(a)(7), 47-1583e. *Oppenheimer v. District of Columbia*, 363 F.2d 708, 1966 U.S. App. LEXIS 5792 (C.A.D.C. 1966).

District of Columbia Income and Franchise Tax Act revealed congressional intent to permit allowance for depreciation based on the declining balance method. D.C. Code 1961, § 47-1557b(a)(7); 26 U.S.C. (I.R.C.1954) § 167(a)(2). *Broadcasting Publications, Inc. v. District of Columbia*, 313 F.2d 554, 1962 U.S. App. LEXIS 3568 (C.A.D.C. 1962).

Taxpayer would be allowed use of declining balance method of depreciation in determining tax due under District of Columbia Income and Franchise Tax Act, in absence of regulation on such subject pursuant to such Act or showing



by District that such method was unreasonable. D.C. Code 1961, § 47-1557b(a)(7); 26 U.S.C. (I.R.C.1954) § 167(a)(2). *Broadcasting Publications, Inc. v. District of Columbia*, 313 F.2d 554, 1962 U.S. App. LEXIS 3568 (C.A.D.C. 1962).

#### Expenses.

Damages paid by major league baseball club to minor league and to owners of minor league clubs, resulting from transfer of major league club's operation to minor league city, constituted "capital investment," and were improperly deducted as business expense, within District of Columbia Franchise Tax Act. D.C. Code 1961, §§ 47-1551 et seq., 47-1557b. *Washington American League Base Ball Club, Inc. v. District of Columbia*, 349 F.2d 179, 1965 U.S. App. LEXIS 5253 (C.A.D.C. 1965).

#### In general.

Deduction depends on legislative grace and only as there is clear provision therefore can any particular deduction be allowed. *Lenkin v. District of Columbia*, 461 F.2d 1215, 1972 U.S. App. LEXIS 11248 (C.A.D.C. 1972).

Where taxpayer paid \$1,000,000 in cash for all stock of corporation which had \$1,000,000 in miscellaneous assets and immediately liquidated the corporation and transferred all assets to himself, under District of Columbia income tax statute defining dividends as any corporate distribution out of earnings, profits or surplus the \$300,000 he received from accumulated earned surplus of corporation was taxable as a dividend, but as to the remaining \$700,000 of assets taxpayer sustained a \$300,000 non-capital loss which was fully deductible. D.C. Code 1961, § 47-1551c(m). *Snow v. District of Columbia*, 361 F.2d 523, 1965 U.S. App. LEXIS 3895 (C.A.D.C. 1965).

Loss incurred by resident partner in given taxable year may properly be deducted from partner's gross income for that year. D.C. Code 1981, §§ 47-1803.3, 47-1804.3, 47-1808.6. *District of Columbia v. Terris*, 604 A.2d 5, 1992 D.C. App. LEXIS 56 (1992).

Transaction, in which bank sold collateral consisting of 700 shares of taxpayers' stock, which was not authorized by taxpayer and which involved a wrongful conversion subsequently corrected by bank's repurchase of stock, was not a "taxable event" for capital gains purposes; expenses incurred by taxpayers in recovering the stock was deductible as an expense incurred in protection and maintenance of property. 26 U.S.C. (I.R.C.1954) §§ 1001(c), 1036(a); 26 U.S.C. (1970 Ed.) (I.R.C.1954) § 1002; D.C. Code §§ 28-9-207, 28-9-207(1, 3), 28-9-207 comment, 47-1557b(a)(4)(B), (a)(5), 47-1583a. *Borden v. District of Columbia*, 417 A.2d 402, 1980 D.C. App. LEXIS 322 (1980).

#### Net operating losses.

In computing District income tax, unincorporated business may deduct net operating loss

(NOL) incurred in one year against net income of business in a prior or subsequent year, even if business has filed federal consolidated returns and has thus not reported NOL deductions on federal returns. *School St. Assocs. v. District of Columbia*, 764 A.2d 798, 2001 D.C. App. LEXIS 4 (2001).

In computing franchise taxes owed to District of Columbia, bank was entitled to deduction for net operating losses (NOL), even though no corresponding deduction had been reported by bank on a federal tax return for same taxable period. D.C. Code 1981, § 47-1803.3(a)(14). *Sovran Bank/D.C. Nat'l v. District of Columbia*, 731 A.2d 387, 1999 D.C. App. LEXIS 130 (1999), reversed by, remanded sub nomine *School St. Assocs. v. District of Columbia*, 764 A.2d 798, 2001 D.C. App. LEXIS 4 (D.C. 2001).

Forward rolling tax deduction for net operating losses was available to "unincorporated business," such as limited partnership, even though the tax statute provided that the deduction was available "in the same manner as allowed under the Internal Revenue Code," and unincorporated businesses were not allowed net operating loss deductions under the federal scheme; the reference to the Internal Revenue Code merely governed the technical rules of computation, and did not nullify the grant of the deduction to unincorporated businesses. D.C. Code 1981, §§ 47-1803.3(a)(14), 47-1808.1. *School St. Assocs., Ltd. Pshp. v. District of Columbia*, 728 A.2d 575, 1999 D.C. App. LEXIS 37 (1999), reversed by, remanded by 764 A.2d 798, 2001 D.C. App. LEXIS 4 (D.C. 2001).

In determining whether limited partnership was entitled to forward rolling tax deduction for net operating losses, the Tax Court was required to apply the law in effect at the time its decision was rendered and to base its judgment upon the provisions of that law interpreted in accordance with its purpose and spirit, rather than upon conclusions reached after subtle and involved reasoning. D.C. Code 1981, § 47-1803.3(a)(14). *School St. Assocs., Ltd. Pshp. v. District of Columbia*, 728 A.2d 575, 1999 D.C. App. LEXIS 37 (1999), reversed by, remanded by 764 A.2d 798, 2001 D.C. App. LEXIS 4 (D.C. 2001).

Limited partnership that sought forward rolling tax deduction for net operating losses maintained the burden of proving entitlement to the deduction. D.C. Code 1981, § 47-1803.3(a)(14). *School St. Assocs., Ltd. Pshp. v. District of Columbia*, 728 A.2d 575, 1999 D.C. App. LEXIS 37 (1999), reversed by, remanded by 764 A.2d 798, 2001 D.C. App. LEXIS 4 (D.C. 2001).

#### Review.

Where taxpayer made advances to a corporation that later went bankrupt, findings of Tax

Court that evidence was insufficient to show that corporation ever became obligated to repay advances were not erroneous where taxpayer failed to establish facts necessary to substanti-

ate his claimed deduction. D.C. Code 1961, § 47-1557b(a) (5). *Bord v. District of Columbia*, 344 F.2d 560, 1965 U.S. App. LEXIS 6342 (C.A.D.C. 1965).

### *Subchapter IV. Accounting Periods, Installment Sales, and Inventories.*

## § 47-1804.01. Accounting periods — Computation of income.

The net income shall be computed upon the basis of the taxpayer's annual accounting period (fiscal year or calendar year, as the case may be) in accordance with the method of accounting regularly employed in keeping the books of such taxpayer; but if no such method of accounting has been so employed, or if the method employed does not clearly reflect the income, the computation shall be made in accordance with such method as in the opinion of the Mayor does clearly reflect the income. If the taxpayer's annual accounting period is other than a fiscal year as defined in § 47-1801.04(8) or if the taxpayer has no annual accounting period or does not keep books, the net income shall be computed on the basis of the calendar year. If the taxpayer makes a federal income tax return, his income shall be computed, for the purposes of this subchapter, on the basis of the same calendar or fiscal year as in such federal income tax return, if the basis is accepted and approved by the Commissioner of Internal Revenue.

(July 16, 1947, 61 Stat. 339, ch. 258, art. I, title IV, § 1; Mar. 6, 1979, D.C. Law 2-158, § 4, 25 DCR 7002; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-1804.02.

**Prior Codifications.** — 1981 Ed., § 47-1804.1.

1973 Ed., § 47-1561.

**Effect of amendments.** — D.C. Law 13-126, rewrote subd. (28A), which previously read:

"The term 'Internal Revenue Code of 1986' means the Internal Revenue Code of 1986 (100

Stat. 2085; 26 U.S.C. 1 et seq.), as amended through August 20, 1996. The provisions of the Internal Revenue Code of 1986 shall be effective on the same dates that they are effective for Federal tax purposes."

**Legislative history of Law 2-158.** — For legislative history of D.C. Law 2-158, see Historical and Statutory Notes following § 471801.04.

### CASE NOTES

#### **In general.**

Partner who changed domicile in middle of year could not include on his individual return distributive share of partnership loss distributed during his normal individual taxable year but after he became nonresident, even though statute required that taxpayer's income be computed based on same fiscal year used for federal taxation; partner had neither duty nor right to report income received or losses incurred after he became nonresident. D.C. Code

1981, §§ 1-233(a)(5), 47-1803.2(a)(2)(F), 47-1804.1 to 47-1804.3. *District of Columbia v. Terris*, 604 A.2d 5, 1992 D.C. App. LEXIS 56 (1992).

In action challenging imposition of deficiency assessments of corporation franchise taxes, evidence supported finding that business debts owed to accrual method taxpayer were not so likely to be "uncollectible" as to be excludable from taxpayer's gross income, and thus, taxpayer improperly used "hybrid" accounting



method whereby certain sales were considered to have taken place only when payment was received; to obtain beneficial tax treatment of any accounts receivable which it considered questionable, taxpayer should have included them in gross income, and then either claimed deduction for each bad debt or increased its reserve for bad debts in year which debt became wholly or partially worthless. D.C. Code 1981, §§ 47-1803.3(a)(5), 47-1804.1; D.C. Code 1973, § 47-1561; 26 U.S.C. § 41. *Automatic*

*Enterprises, Inc. v. District of Columbia*, 465 A.2d 388, 1983 D.C. App. LEXIS 454 (1983).

In order for partner to claim partnership loss deduction on partner's fractional year income tax return for the District of Columbia, the partnership's taxable year, or other formally recognized accounting period during which all partner's distributive shares are commonly computed, must close with or within the partner's fractional tax year. *Ward v. District of Columbia*, 111 WLR 373 (Super. Ct. 1983).

## **§ 47-1804.02. Accounting periods — Period in which items of gross income included.**

The amount of all items of gross income shall be included in the gross income for the taxable year in which received by the taxpayer unless, under methods of accounting permitted under § 47-1804.01, any such amounts are to be properly accounted for as of a different period. In the case of death of a taxpayer on the cash basis, no amount will be accrued on his final return; and on the accrual basis, amounts (except amounts includible in computing a partner's net income) accrued only by reason of the death of the taxpayer shall not be included in computing net income for the period in which falls the date of the taxpayer's death, but such amounts shall be included in the income of the person receiving such amounts by inheritance or survivorship from the decedent.

(July 16, 1947, 61 Stat. 339, ch. 258, art. I, title IV, § 2; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1804.2. 1973 Ed., § 47-1561a.

## **§ 47-1804.03. Accounting periods — Period for which deductions and credits taken.**

The deductions and credits provided for in this chapter shall be taken for the taxable year in which "paid or accrued" or "paid or incurred", dependent upon the method of accounting upon the basis of which the net income is computed unless, in order to clearly reflect the income, the deductions or credits should be taken as of a different period. In the case of death of a taxpayer on the cash basis, no amount will be allowed as a deduction which was accrued up to the date of the taxpayer's death; and on the accrual basis, no amount (except amounts includible in computing a partner's net income) accrued only by reason of the death of the taxpayer shall be included in computing net income for the period in which falls the date of the taxpayer's death but such amounts shall be deductible by the estate or other person who paid them or is liable for their payment.

(July 16, 1947, 61 Stat. 340, ch. 258, art. I, title IV, § 3; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

## § 47-1804.04

TAXATION, LICENSING, PERMITS, ETC.

**Prior Codifications.** — 1981 Ed., § 47-1804.3. 1973 Ed., § 47-1561b.

### CASE NOTES

#### **In general.**

Loss incurred by resident partner in given taxable year may properly be deducted from partner's gross income for that year. D.C. Code

1981, §§ 47-1803.3, 47-1804.3, 47-1808.6. District of Columbia v. Terris, 604 A.2d 5, 1992 D.C. App. LEXIS 56 (1992).

## § 47-1804.04. Income from installment sales.

If a person reports any portion of his income from installment sales for federal income tax purposes under § 453 of the Internal Revenue Code of 1986 (§ 453 of Title 26, United States Code) and as the same may hereafter be amended and if such income is subject to tax under this chapter, he may report such income under this chapter in the same manner and upon the same basis as the same was reported by him for federal income tax purposes, if such method of reporting is accepted and approved by the Commissioner of Internal Revenue.

(July 16, 1947, 61 Stat. 340, ch. 258, art. I, title IV, § 4; May 27, 1949, 63 Stat. 131, ch. 146, title IV, § 410; June 24, 1987, D.C. Law 7-9, § 2(g), 34 DCR 3283; Oct. 1, 1987, D.C. Law 7-29, § 2(d), 34 DCR 5097; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1804.4. 1973 Ed., § 47-1561c.

**Legislative history of Law 7-9.** — For legislative history of D.C. Law 7-9, see Historical and Statutory Notes following § 471801.04.

**Legislative history of Law 7-29.** — For legislative history of D.C. Law 7-29, see Historical and Statutory Notes following § 47-1801.01a.

## § 47-1804.05. Inventories.

Whenever in the opinion of the Mayor the use of inventories is necessary in order to properly determine the income of any taxpayer, inventories shall be taken by such taxpayer upon such basis as the Mayor may prescribe as conforming as nearly as may be to the best accounting practice in the trade or business and as most clearly reflecting the income.

(July 16, 1947, 61 Stat. 340, ch. 258, art. I, title IV, § 5; Mar. 6, 1979, D.C. Law 2-158, § 4, 25 DCR 7002; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1804.5. 1973 Ed., § 47-1561d.

**Legislative history of Law 2-158.** — For

legislative history of D.C. Law 2-158, see Historical and Statutory Notes following § 471801.04.

## § 47-1804.06. Authority to reject returns.

Notwithstanding any other provisions of this chapter, the Mayor is hereby



authorized to reject any return of income reported on a cash basis where, in his opinion, the net income of the taxpayer is not properly reflected and cannot be determined on such basis, and to require the return to be filed on such a basis as in his opinion will properly reflect the net income of the taxpayer.

(July 16, 1947, 61 Stat. 340, ch. 258, art. I, title IV, § 6; Mar. 6, 1979, D.C. Law 2-158, § 4, 25 DCR 7002; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1804.6.

1973 Ed., § 47-1561e.

**Legislative history of Law 2-158.** — For

legislative history of D.C. Law 2-158, see Historical and Statutory Notes following § 471801.04.

### CASE NOTES

#### **In general.**

In action challenging imposition of deficiency assessments of corporation franchise taxes, evidence supported finding that business debts owed to accrual method taxpayer were not so likely to be "uncollectible" as to be excludable from taxpayer's gross income, and thus, taxpayer improperly used "hybrid" accounting method whereby certain sales were considered to have taken place only when payment was received; to obtain beneficial tax treatment of

any accounts receivable which it considered questionable, taxpayer should have included them in gross income, and then either claimed deduction for each bad debt or increased its reserve for bad debts in year which debt became wholly or partially worthless. D.C. Code 1981, §§ 47-1803.3(a)(5), 47-1804.1; D.C. Code 1973, § 47-1561; 26 U.S.C. § 41. *Automatic Enterprises, Inc. v. District of Columbia*, 465 A.2d 388, 1983 D.C. App. LEXIS 454 (1983).

## § 47-1804.07. Amount.

(a) *Fractional parts of dollar.* — With respect to any amount required to be shown on a return, document or statement filed under this chapter, if such amount is other than a whole-dollar amount, either the fractional part of a dollar shall be disregarded unless it amounts to one-half dollar or more, in which case the amount (determined without regard to the fractional part of the dollar) shall be increased by \$1.

(b) Repealed.

(c) *Inapplicability to computation.* — The provisions of subsections (a) and (b) of this section shall not be applicable to items which must be taken into account in making the computations necessary to determine the amount required to be shown on a return, document or statement filed under this chapter, but shall be applicable only to such final amount.

(July 16, 1947, 61 Stat. 339, § 7, as added June 11, 1982, D.C. Law 4-118, § 105, 29 DCR 1770; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 402(a), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1804.7.

**Effect of amendments.** — D.C. Law 13-305 repealed subsec. (b) which had read:

"(b) Election not to use whole-dollar

amounts.— Any person making a return, statement or other document shall be allowed to make such return, statement or document without regard to subsection (a) of this section."

**Legislative history of Law 4-118.** — For

legislative history of D.C. Law 4-118, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Section 410(a) of D.C. Law 13-305 provided: "(a) Section 402(a) applies for all tax years beginning after December 31, 2001."

### *Subchapter V. Returns.*

#### **§ 47-1805.01. Returns — Forms.**

(a) *Forms.* — The Mayor is hereby authorized and directed to prescribe the forms of returns. All returns required under this subchapter shall be filed on the forms and in the manner prescribed by the Mayor.

(b) *Duty of Mayor; obligation of taxpayer.* — Blank forms of returns of income shall be supplied by the Mayor. It shall be the duty of the Mayor to obtain an income tax return from every taxpayer who is liable under this chapter to file such return; but this duty shall in no manner diminish the obligation of the taxpayer to file a return without being called upon to do so.

(c) *Information returns.* — Every person subject to the jurisdiction of the District in whatever capacity acting, including receivers or mortgagors of real or personal property, fiduciaries, partnerships, and employers making payment of dividends, interest, rent, premiums, annuities, compensations, remunerations, emoluments, or other income to any person subject to tax under this chapter, shall render such returns thereof to the Mayor as he may by rule prescribe.

(d) *Certificates of nonresidence.* — Repealed.

(e) *Requirement to file joint federal returns.* — Whenever a taxpayer is required by the Internal Revenue Code of 1986 to file a joint income tax return with his or her spouse in order to qualify for a tax benefit under the Internal Revenue Code of 1986, the taxpayer and spouse shall file either a joint return or separate returns on a combined individual form prescribed by the Mayor in order to qualify for a similar benefit afforded under this chapter.

(f) *Joint filing of returns for domestic partners.* — Domestic partners may file either a joint return or separate returns on a combined form prescribed by the Mayor as if the federal government recognized the right of domestic partners to file jointly.

(g) *Joint filing of returns for married same-sex individuals.* — Married same-sex individuals may file either a joint return or separate returns on a combined form prescribed by the Mayor as if the federal government recognized the right of married same-sex individuals to file jointly.

(July 16, 1947, 61 Stat. 340, ch. 258, art. I, title V, § 1; June 15, 1976, D.C. Law 1-70, title XI, § 1102, 23 DCR 563; Mar. 6, 1979, D.C. Law 2-158, § 4, 25 DCR 7002; June 11, 1982, D.C. Law 4-118, § 119, 29 DCR 1770; Oct. 8, 1983, D.C. Law 5-32, § 4, 30 DCR 4013; June 24, 1987, D.C. Law 7-9, § 2(h), 34 DCR 3283; Oct. 1, 1987, D.C. Law 7-29, § 2(e)(1), 34 DCR 5097; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Mar. 14, 2007, D.C. Law 16-292, § 2(b), 54 DCR 1080; Mar. 3, 2010, D.C. Law 18-108, § 2(b), 57 DCR 22.)



**Section references.** — This section is referred to in §§ 47-1805.03 and 47-1805.04.

**Prior Codifications.** — 1981 Ed., § 47-1805.1.

1973 Ed., § 47-1564.

**Effect of amendments.** — D.C. Law 16-292 added subsec. (f).

D.C. Law 18-108 added subsec. (g).

**Legislative history of Law 1-70.** — For legislative history of D.C. Law 1-70, see Historical and Statutory Notes following § 471803.03.

**Legislative history of Law 2-158.** — For legislative history of D.C. Law 2-158, see Historical and Statutory Notes following § 471801.04.

**Legislative history of Law 4-118.** — For legislative history of D.C. Law 4-118, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 5-32.** — For legislative history of D.C. Law 5-32, see Historical and Statutory Notes following § 471816.03.

**Legislative history of Law 7-9.** — For legislative history of D.C. Law 7-9, see Historical and Statutory Notes following § 471801.04.

**Legislative history of Law 7-29.** — For legislative history of D.C. Law 7-29, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 16-292.** — For Law 16-292, see notes following § 47-1801.04.

**Legislative history of Law 18-108.** — For Law 18-108, see notes following § 47-1801.04.

**Editor's notes.** — Mayor authorized to issue regulations: Section 9 of D.C. Law 5-32 provided that the Mayor shall issue regulations necessary to carry out the provision of the act.

Applicability; conditional effect: Section 3 of D.C. Law 16-292, provided:

“(a) Section 2 shall apply as of January 1, 2007.

“(b) The Chief Financial Officer shall include the fiscal effect of the act in the next revised quarterly revenue estimate, less the amount to be allocated to section 1043 of the Fiscal Year 2007 Budget Support Act of 2006, signed by the Mayor on August 8, 2006 (D.C. Act 16-476; 53 DCR 6899), the Washington Stage Guild Exemption Act of 2006, effective September 26, 2006 (D.C. Law 16-172; D.C. Official Code § 10-1074), and the Organ and Bone Marrow Donor Act of 2006, signed by the Mayor on December 4, 2006 (D.C. Act 16-536; 53 DCR 9852).

“(c) This act shall take effect subject to the inclusion of its fiscal effect in an approved budget and financial plan.”

Section 3 of D.C. Law 18-108 provided: “Section 2 shall apply for tax years beginning January 1, 2009.”

## § 47-1805.02. Returns — Persons required to file.

Each of the following persons shall file a return with the Mayor stating specifically the items of his gross income and the items claimed as deductions and credits allowed under this chapter, and such other information for the purpose of carrying out the provisions of this chapter as the Mayor may require:

(1) *Residents and nonresidents.* — Every nonresident of the District receiving income subject to tax pursuant to this chapter and every resident of the District, except a fiduciary, who is required to file a federal return under the provisions of § 6012 of the Internal Revenue Code of 1986 [26 U.S.C. § 6012].

(2) *Fiduciaries.* —

(A) Every individual, if single, or if married and not living with spouse, for whom he or she acts, having met the filing requirements of § 6012 of the Internal Revenue Code of 1986 [26 U.S.C. § 6012];

(B) Every individual, if married and living with spouse, for whom he or she acts, having met the filing requirements of § 6012 of the Internal Revenue Code of 1986 [26 U.S.C. § 6012], except that if the fiduciary elects to file a separate return, the provisions of § 6012 of the Internal Revenue Code of 1986 [26 U.S.C. § 6012], relating to filing requirements for separate returns, shall be followed;

(C) Every estate for which he or she acts, the gross income of which for

the taxable year is in excess of its personal exemption of \$885 for taxable years beginning after December 31, 1986, \$1,025 for taxable years beginning after December 31, 1987, \$1,160 for taxable years beginning after December 31, 1988, \$1,270 for taxable years beginning after December 31, 1989, and \$1,370 for taxable years beginning after December 31, 1990; and

(D) Every trust for which he or she acts, the gross income of which for the taxable year is \$100 or over.

(3) *Joint fiduciaries.* — A return by one of 2 or more joint fiduciaries filed with the Mayor shall be sufficient compliance with the provisions of subsection (b) of this section.

(4) If any resident or nonresident or any fiduciary is unable to make his own return, the return shall be made by his duly authorized agent.

(5) *Corporations and financial institutions.* —

(A) Every corporation or financial institution engaging in or carrying on any trade or business within the District or receiving income from sources within the District within the meaning of §§ 47-1810.01 to 47-1810.03, even if the business or source income is exempt under other provisions of this chapter.

(B) Affiliated corporations (including affiliated incorporated financial institutions) shall file separate returns unless an election is made in accordance with the requirements of subparagraph (C) of this paragraph.

(C)(i) On or before the due date, including any extensions, for filing the original tax return, an affiliated group may elect to consolidate the taxable income of all members of the affiliated group. The election shall be binding on the affiliated group; provided, that the election shall terminate automatically upon the revocation or termination of its federal consolidation election.

(ii) In order to file a consolidated return, the affiliated group shall have properly elected, or was required, to file a consolidated federal return under section 1501 of the Internal Revenue Code of 1986 [26 U.S.C. § 1501].

(iii) The election to file a consolidated return shall be accompanied by written consents to the election signed by each of the members of the affiliated group.

(iv) The District may require that a consolidated return be filed for an affiliated group that is eligible, but has not elected, to file a consolidated return under this subparagraph if the District determines that a consolidated return is necessary to prevent evasion of taxes or to clearly reflect the taxable income that is attributable to the business conducted in the District by the affiliated group.

(v) In taxable years after the year of the election, a corporation that was not a member of the original affiliated group in the year of the election but is a member of the affiliated group in the current year shall be deemed to have waived any objection to the filing of the consolidated return in the District by its consent, if any, to join in filing a consolidated return in the District by the parent of the District affiliated group. In the case of a corporation that is a member of the affiliated group for a part of the taxable year, the consolidated return shall include the income of the corporation for the part of the year that it is a member of the affiliated group.

(vi) All members of the affiliated group that elected or was required to



file a consolidated return in the District are jointly and severally liable for the taxes, interest, and penalties of the affiliated group.

(vii) The Mayor may promulgate regulations to determine, compute, assess, collect, and adjust, the tax liability of the affiliated group.

(D) For purposes of this paragraph, the term “affiliated group” means an affiliated group as defined in section 1504 of the Internal Revenue Code of 1986 [26 U.S.C. § 1504]; provided, that the affiliated group shall not include any corporation which does not have gross income derived from sources within the District.

(6) *Unincorporated businesses.* — Every unincorporated business engaging in or carrying on any trade or business within the District or receiving income from sources within the District within the meaning of §§ 47-1810.01 to 47-1810.03 and having a gross income of more than \$12,000, regardless of whether it has a net income. The return shall be made by the taxpayer or taxpayers liable for the payment of the tax.

(7) *Partnerships.* — Every partnership, other than partnerships subject to the taxes imposed by §§ 47-1808.01 to 47-1808.06 on unincorporated businesses, engaged in any trade or business, or receiving income from sources within the District. There shall be included in such return the names and addresses of the individuals who would be entitled to share in the net income of the partnership, if distributed, and the amount of distributive share of each individual.

(7A) *Exempt Organizations.* — Every exempt organization exempt from tax that has unrelated business income subject to tax under section 511 of the Internal Revenue Code of 1986 [26 U.S.C. § 511] or income subject to tax under section 527 of the Internal Revenue Code of 1986 [26 U.S.C. § 527], as provided under § 47-1802.01.

(8) *Registration.* — No person shall engage in or continue to engage in a trade, business or profession subject to taxes under the provisions of this chapter without first registering to do so. Such registration shall be made in such manner and on such forms as the Mayor shall prescribe and registration shall not be transferable. Whoever engages in a trade, business or profession which is subject to tax under the provisions of this chapter without first registering to do so, as required by this section, shall, upon conviction thereof be fined not more than \$500. Such failure to register shall also be subject to a civil penalty of \$50 a day for each day that such failure continues.

(July 16, 1947, 61 Stat. 341, ch. 258, art. I, title V, § 2; May 27, 1949, 63 Stat. 131, ch. 146, title IV, § 411; Mar. 31, 1956, 70 Stat. 69, ch. 154, § 5; Oct. 21, 1975, D.C. Law 1-23, title VI, § 601(7), 22 DCR 2107; Apr. 19, 1977, D.C. Law 1-124, title IV, § 401(c), 23 DCR 8749; Mar. 6, 1979, D.C. Law 2-158, § 4, 25 DCR 7002; Sept. 13, 1980, D.C. Law 3-95, § 104, 27 DCR 3509; June 11, 1982, D.C. Law 4-118, § 106, 29 DCR 1770; Sept. 17, 1982, D.C. Law 4-150, § 103, 29 DCR 3377; Oct. 1, 1987, D.C. Law 7-29, § 2(e)(2), (3), 34 DCR 5097; Sept. 21, 1988, D.C. Law 7-141, § 2(c), 35 DCR 5398; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 202(b), 302(b), 48 DCR 334; Apr. 4, 2003, D.C. Law 14-282, § 11(rr), 50 DCR 896.)

**Section references.** — This section is referred to in § 47-1805.03.

**Prior Codifications.** — 1981 Ed., § 47-1805.2.

1973 Ed., § 47-1564a.

**Effect of amendments.** — D.C. Law 13-305, in par. (5), substituted “unless an election is made in accordance with the requirements of subparagraph (C) of this paragraph” for “unless permitted by the Mayor to file consolidated returns” in subpar. (B), and added subpars. (C) and (D); and added par. (7A).

D.C. Law 14-282, in par. (5)(C)(i), substituted “including” for “excluding”; and rewrote par. (7A) which had read as follows: “(7A) Exempt Organizations.—Every exempt organization that has unrelated business income subject to tax under section 511 of the Internal Revenue Code of 1986 as provided under § 47-1802.01.”

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 12(ww) of Tax Clarity and Recorder of Deeds Temporary Act of 2002 (D.C. Law 14-191, October 5, 2002, law notification 49 DCR 9549).

For temporary (225 day) amendment of section, see § 12(ww) of Tax Clarity and Related Amendments Temporary Act of 2003 (D.C. Law 14-228, March 23, 2003, law notification 50 DCR 2741).

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 111(c) of Child Support and Welfare Reform Compliance Temporary Amendment Act of 1999 (D.C. Law 13-57, March 7, 2000, law notification 47 DCR 1979).

For temporary (225 day) addition of section, see § 111(c) of Child Support and Welfare Reform Compliance Temporary Amendment Act of 2000 (D.C. Law 13-207, March 31, 2001, law notification 48 DCR 3238).

**Emergency legislation.** — For temporary (90-day) authorization of social security number requirement, see § 111(b) of the Child Support and Welfare Reform Compliance Emergency Amendment Act of 1999 (D.C. Act 13-126, August 4, 1999, 46 DCR 6606).

For temporary (90-day) addition of § 47-2805.2 1981 Ed., see § 111(c) of the Child Support and Welfare Reform Compliance Emergency Amendment Act of 1999 (D.C. Act 13-126, August 4, 1999, 46 DCR 6606).

For temporary (90-day) authorization of social security number requirement, see § 111(c) of the Child Support and Welfare Reform Compliance Legislative Review Emergency Amendment Act of 1999 (D.C. Act 13-177, November 2, 1999, 46 DCR 9678).

For temporary (90-day) addition of § 47-2805.2 1981 Ed., see § 111(c) of the Child Support and Welfare Reform Compliance Legislative Review Emergency Amendment Act of 1999 (D.C. Act 13-177, November 2, 1999, 46 DCR 9678).

For temporary (90-day) authorization of social security number requirement, see § 111(c) of the Child Support and Welfare Reform Compliance Congressional Review Emergency Amendment Act of 1999 (D.C. Act 13-241, January 11, 2000, 47 DCR 581).

For temporary (90-day) addition of § 47-2805.2 1981 Ed., see § 111(c) of the Child Support and Welfare Reform Compliance Congressional Review Emergency Amendment Act of 1999 (D.C. Act 13-241, January 11, 2000, 47 DCR 581).

For temporary (90 day) amendment of section, see § 12(ww) of Tax Clarity and Recorder of Deeds Emergency Act of 2002 (D.C. Act 14-381, June 6, 2002, 49 DCR 5674).

For temporary (90 day) amendment of section, see § 12(ww) of Tax Clarity and Related Amendments Emergency Act of 2002 (D.C. Act 14-456, July 23, 2002, 49 DCR 8107).

For temporary (90 day) amendment of section, see § 12(ww) of Tax Clarity and Related Amendments Congressional Review Emergency Act of 2002 (D.C. Act 14-510, October 23, 2002, 49 DCR 10247).

**Legislative history of Law 1-23.** — For legislative history of D.C. Law 1-23, see Historical and Statutory Notes following § 471801.04.

**Legislative history of Law 1-124.** — For legislative history of D.C. Law 1-124, see Historical and Statutory Notes following § 471803.02.

**Legislative history of Law 2-158.** — For legislative history of D.C. Law 2-158, see Historical and Statutory Notes following § 471801.04.

**Legislative history of Law 3-95.** — For legislative history of D.C. Law 3-95, see Historical and Statutory Notes following § 471801.04.

**Legislative history of Law 4-118.** — For legislative history of D.C. Law 4-118, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 4-150.** — For legislative history of D.C. Law 4-150, see Historical and Statutory Notes following § 471801.04.

**Legislative history of Law 7-29.** — For legislative history of D.C. Law 7-29, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 7-141.** — For legislative history of D.C. Law 7-141, see Historical and Statutory Notes following § 471801.04.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 14-282.** — For Law 14-282, see notes following § 47-902.

**References in text.** — Sections 511 and 527 of the Internal Revenue Code of 1986, referred



to in par. (7A), are classified to 26 U.S.C. §§ 511 and 527.

Section 6102 of the Internal Revenue Code of 1986, referred to in (2)(B), is 26 U.S.C. § 6012.

**Editor's notes.** — Mayor authorized to issue regulations: Section 401 of D.C. Law 4-150 provided that the Mayor shall issue regulations necessary to carry out the provisions of the act.

Section 203(a) of D.C. Law 13-305 provided: “(a) Section 202(a) through (e) shall apply for all tax years beginning after December 31, 2000.”

Section 303(b) of D.C. Law 13-305 provided: “(a) Section 302(b) shall apply for all tax years beginning after December 31, 2000.”

### CASE NOTES

#### **In general.**

Conservator was personally liable for penalties or interest charges that accrued due to failure of conservator to file tax returns for estate. D.C. Code 1981, §§ 21-2063, 21-2070(c)(17), 47-1805.2(2). In re Estate of Elkins, 692 A.2d 910, 1995 D.C. App. LEXIS 62 (1995).

Although District of Columbia does not directly tax income of partnerships, such partnerships must file returns, and resident partners are liable for income tax in their individual capacities. D.C. Code 1981, §§ 47-1805.2(7), 47-1808.1, 47-1808.6, 47-1810.1(a)(1). District of Columbia v. Terris, 604 A.2d 5, 1992 D.C. App. LEXIS 56 (1992).

### § 47-1805.02a. Combined reporting.

(a) For tax years beginning on and after December 31, 2010, a taxpayer engaged in a unitary business with one or more corporations that are part of a water's-edge combined group reporting pursuant to § 47-1810.07(a) shall file a combined report, which includes the income, determined under § 47-1810.04 and § 47-1810.05 and the allocation and apportionment factors determined under § 47-1810.02 of all such corporations, and other information as required by the Mayor. If a worldwide combined reporting election has been made, the taxpayer shall file a combined report that includes such income and factors of all the corporations that are members of the unitary business, and any other information as required by the Mayor.

(b) The Mayor may, by regulation, require a combined report to include the income and associated apportionment factors of any persons that are not included pursuant to subsection (a) of this section but that are members of a unitary business to reflect proper apportionment of income of the entire unitary business. If the Mayor determines that the reported income or loss of a taxpayer engaged in a unitary business with any person not included represents an avoidance or evasion of tax by the taxpayer, the Mayor may, on a case-by-case basis, require that all or any part of the income and associated apportionment factors be included in the taxpayer's combined report.

(c) With respect to inclusion of associated apportionment factors pursuant to this section, the Mayor may require the exclusion of any one or more of the factors, the inclusion of one or more additional factors, which will fairly represent the taxpayer's business activity in the District, or the employment of any other method to effectuate a proper reflection of the total amount of income subject to apportionment and an equitable allocation and apportionment of the taxpayer's income.

(d) The Mayor shall adopt regulations as necessary to ensure that the tax liability or net income of any taxpayer whose income derived from or attributable to sources within the District that is required to be determined by a combined report pursuant to § 47-1810.02 or § 47-1810.07 and of each entity

included in the combined report, both during and after the period of inclusion in the combined report, is properly reported, determined, computed, assessed, collected, or adjusted.

(Sept. 14, 2011, D.C. Law 19-21, § 8002(c), 58 DCR 6226.)

**Legislative history of Law 19-21.** — For history of Law 19-21, see notes under § 47-305.02.

**Editor's notes.** — Sections 8003 and 8004 of D.C. Law 19-21 provided:

"Sec. 8003. Review of impact of combined reporting.

"After 2 full years of tax reporting have

occurred under the combined reporting requirements imposed by section 8002, the Chief Financial Officer shall determine the economic effects of these requirements on affected taxpayers.

"Sec. 8004. Applicability. This subtitle shall apply for taxable years beginning after December 31, 2010."

## § 47-1805.03. Returns — Filing.

(a) *Time and place.* — All returns of income for the preceding taxable year required to be filed under the provisions of § 47-1805.01 shall be filed with the Mayor on or before the 15th day of April of each year, except that such returns, if made on the basis of a fiscal year, shall be filed on or before the 15th day of the 4th month following the close of such fiscal year; provided, however, that any return required to be filed, for the preceding year under the provisions of subchapter VII of this chapter shall be filed on or before the 15th day of March in each year, except that such returns, if made on the basis of a fiscal year, shall be filed on or before the 15th day of the 3rd month following the close of such fiscal year.

(b) *Extension of time.* — The Mayor may grant a reasonable extension of time for filing the returns required by § 47-1805.02 whenever in his judgment good cause exists therefor, and he shall keep a record of every such extension. Except in case of a taxpayer who is not within the continental limits of the United States, no such extension shall be granted for more than 6 months, and in no case shall such extension be granted for more than 1 year.

(c) *Exempt Organizations.* — Notwithstanding the provisions of— subsection (a) of this section, unrelated business income tax returns of exempt organizations shall be filed on or before the 15th day of the 5th month following the close of the taxable year for the taxpayer.

(July 16, 1947, 61 Stat. 342, ch. 258, art. I, title V, § 3; Mar. 6, 1979, D.C. Law 2-158, § 4, 25 DCR 7002; June 11, 1982, D.C. Law 4-118, § 107, 29 DCR 1770; Oct. 8, 1983, D.C. Law 5-32, § 5, 30 DCR 4013; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 202(c), 48 DCR 334.)

**Section references.** — This section is referred to in §§ 47-1812.07 and 47-1812.14.

**Prior Codifications.** — 1981 Ed., § 47-1805.3.

1973 Ed., § 47-1564b.

**Effect of amendments.** — D.C. Law 13-305 added subsec. (c).

**Legislative history of Law 2-158.** — For

legislative history of D.C. Law 2-158, see Historical and Statutory Notes following § 471801.04.

**Legislative history of Law 4-118.** — For legislative history of D.C. Law 4-118, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 5-32.** — For



legislative history of D.C. Law 5-32, see Historical and Statutory Notes following § 471816.03.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Mayor authorized to issue regulations: Section 9 of D.C. Law 5-32 pro-

vided that the Mayor shall issue regulations necessary to carry out the provision of the act.

Section 203(a) of D.C. Law 13-305 provided: "(a) Section 202(a) through (e) shall apply for all tax years beginning after December 31, 2000."

## § 47-1805.04. Returns — Divulgence of information.

(a) *Information not to be disclosed.* — Except to any official of the District, having a right thereto in his official capacity, it shall be unlawful for any officer or employee, or any former officer or employee, of the District to divulge or make known in any manner the amount of income or any particulars relating thereto or the computation thereof set forth or disclosed in any return required to be filed under § 47-1805.01 or information pertaining to the interception of any tax refund pursuant to the provisions of the Project Setoff Liability Act of 1982, and neither the original nor a copy of any such return desired for use in litigation in court shall be furnished where neither the District nor the United States is interested in the result of such litigation, whether or not the request is contained in an order of the court; provided, however, that nothing herein contained shall be construed to prevent the furnishing to a taxpayer of a copy of his return upon the payment of a fee of \$3.50. The provisions of this subsection shall also be applicable to any federal, state, or local income tax returns or copies thereof and to any other federal, state, or local income tax information either submitted by the taxpayer or otherwise obtained; provided, further, that nothing in this section shall be construed to prevent public inspection of the application and its related financial documents of an organization that has been granted exemption from taxation under this chapter. Any inspection permitted under this subsection shall be made at such time and in such manner as the Mayor may prescribe.

(b) *Reciprocal exchange with the United States and the several states.* — Notwithstanding the provisions of this section, the Mayor may permit the proper officer of the United States or of any state imposing an income tax or his authorized representative to inspect income tax returns filed with the Mayor or may furnish to such officer or representative a copy of any such income tax returns provided the United States or such state grant substantially similar privileges to the Mayor or his representative or to the proper officer of the District charged with the administration of this subchapter. The Internal Revenue Service of the Treasury Department of the United States is authorized and required to supply such information as may be requested by the Mayor relative to any person subject to the taxes imposed by this chapter.

(c) *Publication of statistics and delinquent lists.* — Nothing contained in subsection (a) of this section shall be construed to prohibit the publication of statistics so classified as to prevent the identification of particular reports and the items thereof, or the publication of delinquent lists showing the names of taxpayers who have failed to pay their taxes at the time and in the manner provided by law, together with any relevant information which in the opinion of the Mayor may assist in the collection of such delinquent taxes.

(d) *Information which may be disclosed.* — Nothing contained in subsection (a) of this section shall be construed to prohibit the Mayor, in his discretion, from divulging or making known any information contained in, or relating to, any report, application, license, or return required under the provisions of this chapter other than such information as may be contained therein relating to the amount of income or any particulars relating thereto or the computation thereof.

(e) *Violations.* — Any violation of the provisions of this section shall be a misdemeanor and shall be punishable by a fine not exceeding \$1,000, by imprisonment for not more than 1 year, or both, in the discretion of the court. All prosecutions under this section shall be brought in the Superior Court of the District of Columbia on information by the Attorney General for the District of Columbia or any of his assistants in the name of the District of Columbia.

(f) *Preservation of reports, applications, and returns.* — All reports, applications, and returns received by the Mayor under the provisions of this chapter shall be preserved for 6 years, and thereafter until the Mayor orders them to be destroyed.

(g) *Disclosure to contractor.* — Notwithstanding the provisions of subsection (a) of this section, any tax returns or other tax information required by this chapter may be disclosed to a contractor to the extent necessary to provide for the processing, storage, transmission, or reproduction of such returns and information or for the programing, maintenance, repair, testing, and procurement of equipment for purposes of tax administration. The provisions of subsections (a) and (e) of this section shall be applicable to all such contractors and former contractors and to their officers and employees and former officers and employees.

(h) *Disclosure to state agency requesting offset.* — Notwithstanding the provisions of this section, the social security account number and the home address of a taxpayer whose tax refund has been intercepted under § 47-1812.11 [repealed] and this section, shall be disclosed upon the request of the state agency requesting the offset and of the District of Columbia agency under Part D in Subchapter IV of the Social Security Act (42 U.S.C. § 651 et seq.).

(i) *Disclosure for paternity and support purposes.* — Notwithstanding any other provision of this section, the Mayor shall disclose, upon written or automated request, tax return or other related tax and revenue information to the agency that is responsible for administering or supervising the administration of the District's State Plan under title IV, part D, of the Social Security Act, approved January 4, 1975 (88 Stat. 2351; 42 U.S.C. § 651 et seq.), or the equivalent agency in another state. The Mayor shall only disclose a tax return or other related tax and revenue information that pertains to a support obligor or obligee, a person seeking a paternity, or support order, or a person against whom a paternity or support order is being sought. Tax return information that the Mayor obtains pursuant to a reciprocal exchange with a federal or state taxing authority shall be disclosed only with the consent of the taxing authority, to the extent that consent is required by federal law or the state law governing the taxing authority. Information shall be disclosed pursuant to this



subsection only for purposes directly related to paternity establishment, or the establishment, modification, or enforcement of support order. For the purposes of this subsection, the term "support order" pertains to any obligation governed by § 46-201(15B) [now § 46-201(20)].

(j) *Disclosure to the Superior Court of the District of Columbia.* — Notwithstanding any other provision of this section, the Office of Tax and Revenue may furnish in accordance with § 11-1905 to the Superior Court of the District of Columbia, upon request of the Court, the names, addresses, and social security numbers of individuals who have filed a return under § 47-1805.02(a) [§ 47-1805.02(1)].

(k) *Disclosure to the United States District Court for the District of Columbia.* — Notwithstanding any other provision of this section, the Office of Tax Revenue may furnish to the United States District Court for the District of Columbia, upon request of the court and in accordance with 28 U.S.C. § 1863(d), the names, addresses, and social security numbers of individuals who have filed a return under § 47-1805.02(a).

(July 16, 1947, 61 Stat. 342, ch. 258, art. I, title V, § 4; July 29, 1970, 84 Stat. 570, Pub. L. 91-358, title I, § 155(a); Mar. 16, 1978, D.C. Law 2-57, § 3, 24 DCR 5426; Mar. 6, 1979, D.C. Law 2-158, §§ 2, 4, 25 DCR 7002; June 11, 1982, D.C. Law 4-118, § 108, 29 DCR 1770; Sept. 18, 1982, D.C. Law 4-154, § 3, 29 DCR 3486; Feb. 24, 1987, D.C. Law 6-166, § 33(g)(2), 33 DCR 6710; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 3, 2001, D.C. Law 13-269, § 112(a), 48 DCR 1270; Dec. 9, 2004, D.C. Law 15-50, § 2(a), 50 DCR 8980; Apr. 13, 2005, D.C. Law 15-354, § 73(f), 52 DCR 2638; Mar. 2, 2007, D.C. Law 16-191, § 48(h)(2), 53 DCR 6794; July 7, 2009, D.C. Law 18-9, § 2, 56 DCR 3797.)

**Cross references.** — Real property tax, calculation of assessed value of real property, confidentiality of owner disclosures, see § 47-821.

Real property tax, calculation of assessed value of real property, cooperative housing associations, confidentiality of owner disclosures, see § 47-820.01.

**Section references.** — This section is referred to in §§ 42-1103, 47-903, and 47-1812.08.

**Prior Codifications.** — 1981 Ed., § 47-1805.4.

1973 Ed., § 47-1564c.

**Effect of amendments.** — D.C. Law 13-269 added subsec. (i).

D.C. Law 15-50 added subsec. (j).

D.C. Law 15-354 substituted "Attorney General for the District of Columbia" for "Corporation Counsel".

D.C. Law 16-191, in subsec. (e), validated a previously made technical correction.

D.C. Law 18-9 added subsec. (k).

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 11 of Child Support and Welfare Reform

Compliance Temporary Amendment Act of 1998 (D.C. Law 12-103, May 8, 1998, law notification 45 DCR 3254).

For temporary (225 day) amendment of section, see § 11(a) of Child Support and Welfare Reform Compliance Temporary Amendment Act of 1998 (D.C. Law 12-210, April 13, 1999, law notification 46 DCR 3832).

For temporary (225 day) amendment of section, see § 111(a) of Child Support and Welfare Reform Compliance Temporary Amendment Act of 1999 (D.C. Law 13-57, March 7, 2000, law notification 47 DCR 1979).

Section 2 of D.C. Law 18-1 added subsec. (k) to read as follows: "(k) Disclosure to the United States District Court for the District of Columbia. — Notwithstanding any other provision of this section, the Office of Tax Revenue may furnish, in accordance with 28 U.S.C. § 1863(d), to the United States District Court for the District of Columbia ("Court"), upon request of the Court, the names, addresses, and social security numbers of individuals who have filed a return under § 47-1805.02(a).".

Section 4(b) of D.C. Law 18-1 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary amendment of section, see § 11 of the Child Support and Welfare Reform Compliance Emergency Amendment Act of 1997 (D.C. Act 12-222, December 23, 1997, 44 DCR 114) and § 11 of the Child Support and Welfare Reform Compliance Congressional Review Emergency Amendment Act of 1998 (D.C. Act 12-309, March 20, 1998, 45 DCR 1923), § 11(a) of the Child Support and Welfare Reform Compliance Second Emergency Amendment Act of 1998 (D.C. Act 12-439, August 12, 1998, 45 DCR 6110), § 11(a) of the Child Support and Welfare Reform Compliance Legislative Review Emergency Amendment Act of 1998 (D.C. Act 12-503, October 27, 1998, 45 DCR 8495), and § 11(a) of the Child Support and Welfare Reform Compliance Second Congressional Review Emergency Amendment Act of 1998 (D.C. Act 12-600, January 20, 1999, 46 DCR 1239).

For temporary repeal of D.C. Law 12-103, see § 13 of the Child Support and Welfare Reform Compliance Second Emergency Amendment Act of 1998 (D.C. Act 12-439, August 12, 1998, 45 DCR 6110).

For temporary (90-day) amendment of section, see § 111(a) of the Child Support and Welfare Reform Compliance Emergency Amendment Act of 1999 (D.C. Act 13-126, August 4, 1999, 46 DCR 6606).

For temporary (90-day) amendment of section, see § 111(a) of the Child Support and Welfare Reform Compliance Legislative Review Emergency Amendment Act of 1999 (D.C. Act 13-177, November 2, 1999, 46 DCR 9678).

For temporary (90-day) amendment of section, see § 111(a) of the Child Support and Welfare Reform Compliance Congressional Review Emergency Amendment Act of 1999 (D.C. Act 13-241, January 11, 2000, 47 DCR 581).

For temporary (90 day) amendment of section, see § 111(a) of the Child Support and Welfare Reform Compliance Emergency Amendment Act of 2000 (D.C. Act 13-446, November 11, 2000, 47 DCR 9213).

For temporary (90 day) addition of section, see § 112(a) of Child Support and Welfare Reform Compliance Congressional Review Emergency Amendment Act of 2001 (D.C. Act 14-5, February 13, 2001, 48 DCR 2440).

For temporary (90 day) amendment of section, see § 2(a) of Superior Court of the District of Columbia Master Jury List Project Clarification Emergency Act of 2003 (D.C. Act 15-111, July 29, 2003, 50 DCR 6571).

For temporary (90 day) amendment of section, see § 2(a) of Superior Court of the District of Columbia Master Jury List Project Clarification Legislative Review Emergency Act of 2003 (D.C. Act 15-201, October 24, 2003, 50 DCR 9831).

For temporary (90 day) amendment of section, see § 2 of Disclosure to the United States

District Court Emergency Amendment Act of 2009 (D.C. Act 18-6, January 29, 2009, 56 DCR 1631).

**Legislative history of Law 2-57.** — For legislative history of D.C. Law 2-57, see Historical and Statutory Notes following § 47-405.

**Legislative history of Law 2-158.** — For legislative history of D.C. Law 2-158, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 4-118.** — For legislative history of D.C. Law 4-118, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 4-154.** — For legislative history of D.C. Law 4-154, see Historical and Statutory Notes following § 47-1812.11.

**Legislative history of Law 6-166.** — Law 6-166 was introduced in Council and assigned Bill No. 6-134, which was referred to the Committee on Human Services and reassigned to the Committee on the Judiciary. The Bill was adopted on first and second readings on July 8, 1986 and September 23, 1986, respectively. Signed by the Mayor on October 9, 1986, it was assigned Act No. 6-212 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 13-269.** — Law 13-269, the "Child Support and Welfare Reform Compliance Amendment Act of 2000", was introduced in Council and assigned Bill No. 13-254, which was referred to the Committee on Human Services. The Bill was adopted on first and second readings on November 8, 2000, and December 5, 2000, respectively. Signed by the Mayor on January 8, 2001, it was assigned Act No. 13-559 and transmitted to both Houses of Congress for its review. D.C. Law 13-269 became effective on April 3, 2001.

**Legislative history of Law 15-50.** — Law 15-50, the "Superior Court of the District of Columbia Master Jury List Project Clarification Act of 2003", was introduced in Council and assigned Bill No. 15-66, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on July 8, 2003, and September 16, 2003, respectively. Signed by the Mayor on October 6, 2003, it was assigned Act No. 15-163 and transmitted to both Houses of Congress for its review. D.C. Law 15-50 became effective on December 9, 2003.

**Legislative history of Law 15-354.** — For Law 15-354, see notes following § 47-340.03.

**Legislative history of Law 16-191.** — For Law 16-191, see notes following § 47-308.02.

**Legislative history of Law 18-9.** — Law 18-9, the "Jury and Marriage Amendment Act of 2009", was introduced in Council and assigned Bill No. 18-10 which was referred to the Committee on Public Safety and the Judiciary. The Bill was adopted on first and second read-



ings on April 7, 2009, and May 5, 2009, respectively. Signed by the Mayor on May 6, 2009, it was assigned Act No. 18-70 and transmitted to both Houses of Congress for its review. D.C. Law 18-9 became effective on July 7, 2009.

**References in text.** — The Bureau of Internal Revenue, originally referred to in the second sentence in subsection (b) of this section,

was replaced by the Internal Revenue Service pursuant to Treasury Department Order 150-29.

The “Project Setoff Liability Act of 1982,” referred to in the first sentence of subsection (a) of this section, is D.C. Law 4-154, codified as this section and § 47-1812.11.

## § 47-1805.05. Returns — Certification by Qualified High Technology Company.

(a) *Certification.* — Except as otherwise provided herein, to claim a credit or other benefit under this title as a Qualified High Technology Company, a Qualified High Technology Company shall attach to its applicable tax return an original affidavit certifying that it is a Qualified High Technology Company.

(b) A taxpayer which certifies that is a Qualified High Technology Company shall be subject to audit, to the same extent as any other taxpayer, to verify that the taxpayer qualified as a Qualified High Technology Company.

(Apr. 3, 2001, D.C. Law 13-256, § 101(b)(2), 48 DCR 730.)

**Legislative history of Law 13-256.** — For Law 13-256, see notes following § 47-1508.

## *Subchapter VI. Tax on Residents and Nonresidents.*

## § 47-1806.01. Tax on residents and nonresidents — “Taxable income” defined.

For the purposes of this chapter, and unless otherwise required by the context, the term “taxable income” means the entire net income of every resident, in excess of the personal exemptions and credits for dependents allowed by § 47-1806.02 and that portion of the entire net income of every nonresident which is subject to tax under §§ 47-1808.01 to 47-1808.06.

(July 16, 1947, 61 Stat. 343, ch. 258, art. I, title VI, § 1; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in §§ 47-1803.03, 47-1808.06, and 47-1809.03.

**Prior Codifications.** — 1981 Ed., § 47-1806.1.  
1973 Ed., § 47-1567.

## § 47-1806.02. Tax on residents and nonresidents — Personal exemptions.

(a) In the case of a resident, the exemptions provided by this section shall be allowed as deductions in computing taxable income.

(b) An exemption shall be granted for the taxpayer and an additional exemption for the spouse (or domestic partner) of the taxpayer if the spouse (or domestic partner), for the calendar year in which the taxable year of the

taxpayer begins, has no gross income and is not the dependent of another taxpayer.

(c) There shall be allowed an additional exemption for a taxpayer who qualifies as a head of household.

(d) There shall be allowed an additional exemption for a taxpayer who is blind at the close of his or her taxable year, and an additional exemption for the spouse (or domestic partner) of the taxpayer if the spouse (or domestic partner) is blind at the close of the taxable year of the taxpayer and, if the spouse (or domestic partner), for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer, except that if the spouse (or domestic partner) dies during such taxable year the determination regarding blindness shall be made as of the time of death.

(e) There shall be allowed an additional exemption for a taxpayer who has attained the age of 65 before the close of his or her taxable year, and an additional exemption for the spouse (or domestic partner) of the taxpayer if the spouse (or domestic partner) has attained the age of 65 before the close of his or her taxable year and, if the spouse (or domestic partner), for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer.

(f)(1) There shall be allowed an additional exemption for each dependent:

(A) Whose gross income for the calendar year in which the year of the taxpayer begins is less than \$1,675, increased annually, beginning January 1, 2013, by the cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next lowest multiple of \$50), or

(B) Who is a child of the taxpayer and who:

(i) Has not attained the age of 19 at the close of the calendar year in which the taxable year of the taxpayer begins; or

(ii) Is a student.

(2) No exemption shall be allowed under this subsection for any dependent who has made a joint return with his or her spouse (or domestic partner) for the taxable year beginning in the calendar year in which the taxable year of the taxpayer begins.

(3) For purposes of this subsection:

(A) The term "child" means a child as defined in § 151(c)(3) of the Internal Revenue Code of 1986; and

(B) The term "student" means a student as defined in § 151(c)(4) of the Internal Revenue Code of 1986.

(g) In the case of a return made for a fractional part of a taxable year, the personal exemptions shall be reduced to amounts that bear the same ratio to the full exemptions provided as the number of months in the period for which the return is made bear to 12 months.

(h) In the case of an individual for whom a deduction under this section is allowable to another taxpayer for a taxable year in which the taxable year beginning in the calendar year in which the individual's taxable year begins, the exemption amount applicable to the individual for his or her taxable year shall be zero.



(i) For purposes of this section, the deduction for personal exemptions shall be \$1,675, increased annually, beginning January 1, 2013, by the cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next lowest multiple of \$50).

(July 16, 1947, 61 Stat. 343, ch. 258, art. I, title VI, § 2; May 27, 1949, 63 Stat. 132, ch. 146, title IV, § 412; Mar. 31, 1956, 70 Stat. 70, ch. 154, § 6; Sept. 4, 1957, 71 Stat. 605, Pub. L. 85-281, § 2; Oct. 21, 1975, D.C. Law 1-23, title VI, § 601(8), 22 DCR 2109; Oct. 1, 1987, D.C. Law 7-29, § 2(f)(1), 34 DCR 5097; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Oct. 20, 2005, D.C. Law 16-33, § 1046(b), 52 DCR 7503; May 16, 2006, D.C. Law 16-98, § 2(e), 53 DCR 1869; Mar. 2, 2007, D.C. Law 16-191, § 5(c), 53 DCR 6794; Mar. 14, 2007, D.C. Law 16-292, § 2(c), 54 DCR 1080; Sept. 18, 2007, D.C. Law 17-20, § 1052, 54 DCR 7052; Mar. 3, 2010, D.C. Law 18-111, § 7241(d), 57 DCR 181.)

**Section references.** — This section is referred to in §§ 47-1806.01, 47-1808.06, 47-1809.03, and 47-1809.05.

**Prior Codifications.** — 1981 Ed., § 47-1806.2.

1973 Ed., § 47-1567a.

**Effect of amendments.** — D.C. Law 16-33, rewrote subsecs. (f)(1)(A) and (i).

D.C. Law 16-98, in subpar. (f)(1)(A), substituted "\$2,400, increased annually, beginning January 1, 2008, by the cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next lowest multiple of \$50)" for "\$1,500"; in subsec. (i), substituted "\$2,400, increased annually, beginning January 1, 2008, by the cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next lowest multiple of \$50)" for "\$1,500".

D.C. Law 16-191, in subsec. (f)(1)(A), validated a previously made technical correction.

D.C. Law 16-292 substituted "spouse (or domestic partner)" for "spouse" throughout the section.

D.C. Law 17-20, in subsecs. (f)(1)(A) and (i), substituted "\$1,675, increased annually, beginning January 1, 2009, by the cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next lowest multiple of \$50)" for "\$1,500".

D.C. Law 18-111, in subsecs. (f)(1)(A) and (i), substituted "beginning January 1, 2013," for "beginning January 1, 2009,".

**Emergency legislation.** — For temporary (90 day) amendment of section, see §§ 1046(b), 1047, of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

For temporary (90 day) amendment of section, see §§ 1052, 1053 of Fiscal Year 2008 Budget Support Emergency Act of 2007 (D.C. Act 17-74, July 25, 2007, 54 DCR 7549).

For temporary (90 day) amendment of section, see § 7111(d) of Fiscal Year 2010 Budget

Support Emergency Act of 2009 (D.C. Act 18-187, August 26, 2009, 56 DCR 7374).

For temporary (90 day) amendment of section, see § 7241(d) of Fiscal Year 2010 Budget Support Second Emergency Act of 2009 (D.C. Act 18-207, October 15, 2009, 56 DCR 8234).

For temporary (90 day) amendment of section, see § 7241(d) of Fiscal Year Budget Support Congressional Review Emergency Amendment Act of 2009 (D.C. Act 18-260, January 4, 2010, 57 DCR 345).

**Legislative history of Law 1-23.** — For legislative history of D.C. Law 1-23, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 7-29.** — For legislative history of D.C. Law 7-29, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01.

**Legislative history of Law 16-98.** — For Law 16-98, see notes following § 47-802.

**Legislative history of Law 16-191.** — For Law 16-191, see notes following § 47-308.02.

**Legislative history of Law 16-292.** — For Law 16-292, see notes following § 47-1801.04.

**Legislative history of Law 17-20.** — For Law 17-20, see notes following § 47-305.02.

**Legislative history of Law 18-111.** — For Law 18-111, see notes following § 47-305.02.

**Short title.** — Short title: Section 1051 of D.C. Law 17-20 provided that subtitle F of title I of the act may be cited as the "Personal Exemption Increase Act of 2007".

**Editor's notes.** — Section 1053 of D.C. Law 17-20 provided this subtitle shall apply as of January 1, 2008.

Section 1047 of D.C. Law 16-33 provided that § 1046 shall apply as of Jan. 1, 2006.

Section 3(b) of D.C. Law 16-98 provided that Section 2(d) and (e) shall apply as of January 1, 2007.

Effectiveness and expiration of D.C. Law 16-98: Section 4 of D.C. Law 16-98 required that “this act shall take effect subject to the inclusion of its fiscal effect in an approved budget and financial plan; provided, that this act shall expire on October 1, 2006 if its fiscal effect has not been included in an approved budget and financial plan or in the Fiscal Year 2007 Budget Request Act of 2006.”

The Budget Director of the Council of the District of Columbia has determined, as of November 2, 2007, that the fiscal effect of Law 16-98 had not been included in an approved budget and financial plan by October 1, 2006. Therefore, the amendments made to this section by Law 16-98, have expired as if never in effect.

§ 47-1806.03. Tax on residents and nonresidents — Imposition and rates.

(a)(1) In the case of a taxable year beginning after December 31, 1986, there is imposed on the taxable income of every resident a tax determined in accordance with the following table:

<i>If the taxable income is:</i>	<i>The tax is:</i>
Not over \$10,000 .....	6% of the taxable income.
Over \$10,000 but not over \$20,000 .....	\$600, plus 8% of the excess over \$10,000.
Over \$20,000 .....	\$1,400, plus 10% of the excess over \$20,000.

(2) In the case of a taxable year beginning after December 31, 1987, there is imposed on the taxable income of every resident a tax determined in accordance with the following table:

<i>If the taxable income is:</i>	<i>The tax is:</i>
Not over \$10,000 .....	6% of the taxable income.
Over \$10,000 but not over \$20,000 .....	\$600, plus 8% of the excess over \$10,000.
Over \$20,000 .....	\$1,400, plus 9.5% of the excess over \$20,000.

(3) In the case of a taxable year beginning after December 31, 1999, there is imposed on the taxable income of every resident a tax determined in accordance with the following table:

<i>If the taxable income is:</i>	<i>The tax is:</i>
Not over \$10,000 .....	5% of the taxable income.
Over \$10,000 but not over \$20,000 .....	\$500, plus 7.5% of the excess over \$10,000.
Over \$20,000 .....	\$1,250, plus 9.5% of the excess over \$20,000.

(4)(A) In the case of a taxable year beginning after December 31, 2000, there is imposed on the taxable income of every resident a tax determined in accordance with the following table:

<i>If the taxable income is:</i>	<i>The tax is:</i>
Not over \$10,000 .....	5% of the taxable income.
Over \$10,000 but not over \$30,000 .....	\$500, plus 7.5% of the excess over \$10,000.
Over \$30,000 .....	\$2,000, plus 9.3% of the excess over \$30,000.

(B) Repealed.



(5)(A) In the case of a taxable year beginning after December 31, 2003, there is imposed on the taxable income of every resident a tax determined in accordance with the following table:

<i>If the taxable income is:</i>	<i>The tax is:</i>
Not over \$10,000 .....	5.0% of the taxable income.
Over \$10,000 but not over \$30,000 .....	\$500, plus 7.5% of the excess over \$10,000.
Over \$30,000 .....	\$2,000, plus 9.0% of the excess over \$30,000.

(B) Subparagraph (A) of this paragraph shall not apply if:

(i) The certification by the Chief Financial Officer required by § 47-387.01 demonstrates that the accumulated general fund balance for the immediately preceding fiscal year is less than 5% of the general fund operating budget for the current fiscal year, the nominal GDP growth is less than or equal to 3.5%, or the real GDP growth is less than or equal to 1.7%; or

(ii) The Mayor demonstrates, and the Chief Financial Officer certifies, that a proposed budget will not be balanced as required by § 1-206.03(c) if the scheduled tax rate decrease under subparagraph (A) of this paragraph takes effect.

(6)(A) In the case of a taxable year beginning after December 31, 2004, there is imposed on the taxable income of every resident a tax determined in accordance with the following table:

<i>If the taxable income is:</i>	<i>The tax is:</i>
Not over \$10,000 .....	4.5% of the taxable income.
Over \$10,000 but not over \$40,000 .....	\$450, plus 7% of the excess over \$10,000.
Over \$40,000 .....	\$2,550, plus 8.7% of the excess over \$40,000.

(B) Subparagraph (A) of this paragraph shall not apply if:

(i) The certification by the Chief Financial Officer required by § 47-387.01 demonstrates that the accumulated general fund balance for the immediately preceding fiscal year is less than 5% of the general fund operating budget for the current fiscal year, the nominal GDP growth is less than or equal to 3.5%, or the real GDP growth is less than or equal to 1.7%; or

(ii) The Mayor demonstrates, and the Chief Financial Officer certifies, that a proposed budget will not be balanced as required by § 1-206.03(c) if the scheduled tax rate decrease under subparagraph (A) of this paragraph takes effect.

(C) If the rate reduction scheduled for the previous year was not implemented, the rate imposed by this paragraph shall be the last unimplemented percentage decrease scheduled for a previous year, instead of that prescribed by this paragraph.

(7)(A) In the case of a taxable year beginning after December 31, 2005, there is imposed on the taxable income of every resident a tax determined in accordance with the following table:

<i>If the taxable income is:</i>	<i>The tax is:</i>
Not over \$10,000 .....	4% of the taxable income.

Over \$10,000 but not over \$40,000 .....	\$400, plus 6% of the excess over \$10,000.
Over \$40,000 .....	\$2,200, plus 8.5% of the excess over \$40,000.

(B) Subparagraph (A) of this paragraph shall not apply if:

(i) The certification by the Chief Financial Officer required by § 47-387.01 demonstrates that the accumulated general fund balance for the immediately preceding fiscal year is less than 5% of the general fund operating budget for the current fiscal year, the nominal GDP growth is less than or equal to 3.5%, or the real GDP growth is less than or equal to 1.7%; or

(ii) The Mayor demonstrates, and the Chief Financial Officer certifies, that a proposed budget will not be balanced as required by § 1-206.03(c) if the scheduled tax rate decrease under subparagraph (A) of this paragraph takes effect.

(C) If the rate reduction scheduled for the previous year was not implemented, the rate imposed by this paragraph shall be the last unimplemented percentage decrease scheduled for a previous year, instead of that prescribed by this paragraph.

(b) In lieu of the method of computation provided for in subsection (a) of this section, individuals may elect to compute the tax in accordance with a tax table prescribed by the Mayor for such taxable year, subject to such rules and regulations as the Mayor may prescribe. The amount of tax to be paid under the tax table prescribed by the Mayor shall be consistent with the tax rates provided for in subsection (a) of this section.

(c) An individual not living with a spouse or domestic partner on the last day of the taxable year, for the purposes of this chapter, shall be considered as a single person.

(d) This section shall not apply to any return filed by a fiduciary for an estate or trust or to any married (or domestic partner) resident living with his or her spouse (or domestic partner) at any time during the taxable year where such spouse (or domestic partner) files a return and computes the tax thereon without regard to this section.

(e) If a spouse or domestic partner living together file separate returns, each shall be treated as a single person for the purposes of this section.

(July 16, 1947, 61 Stat. 344, ch. 258, art. I, title VI, §§ 3, 4; May 27, 1949, 63 Stat. 132, ch. 146, title IV, § 413; May 18, 1954, 68 Stat. 117, ch. 218, title XII, § 1201; Mar. 31, 1956, 70 Stat. 70, ch. 154, §§ 7, 8; Sept. 4, 1957, 71 Stat. 606, Pub. L. 85-281, § 5; Sept. 30, 1966, 80 Stat. 858, Pub. L. 89-610, title VII, § 701; Aug. 2, 1968, 82 Stat. 612, Pub. L. 90-450, title II, § 201; June 30, 1970, 84 Stat. 366, Pub. L. 91-297, title IV, § 401; Oct. 21, 1975, D.C. Law 1-23, title VI, § 601(9), 22 DCR 2110; June 15, 1976, D.C. Law 1-70, title XII, § 1201(a), 23 DCR 564; June 11, 1982, D.C. Law 4-118, § 109, 29 DCR 1770; Oct. 1, 1987, D.C. Law 7-29, § 2(f)(2), 34 DCR 5097; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Oct. 20, 1999, D.C. Law 13-38, § 2702(h), 46 DCR 6373; Oct. 1, 2002, D.C. Law 14-190, § 802(b), 49 DCR 6968; Mar. 14, 2007, D.C. Law



16-292, § 2(d), 54 DCR 1080; Sept. 12, 2008, D.C. Law 17-231, § 41(h), 55 DCR 6758.)

**Cross references.** — Tax rate changes, authority of the Council of the District of Columbia, see § 47-504.

**Section references.** — This section is referred to in §§ 47-858.04, 47-1806.07, 47-1806.08a, 47-1806.08c, 47-1806.09a, 47-1806.09e, 47-1806.10, 47-1808.06, 47-1809.03, and 47-4214.

**Prior Codifications.** — 1981 Ed., § 47-1806.3.

1973 Ed., § 47-1567b.

**Effect of amendments.** — D.C. Law 13-38 added new paragraphs (3) to (7) to subsec. (a).

Section 2703(c) of D.C. Law 13-38 provided: "Section 2702(f), (h), (i), and (j) shall apply for tax years beginning after December 31, 1999."

D.C. Law 14-190, in subsec. (a), repealed par. (4)(B), and rewrote pars. (5), (6), and (7).

**Temporary Amendment of Section.** — Section 6 of D.C. Law 19-53 added subsec. (a)(8) to read as follows:

"(8)(A) In the case of a taxable year beginning after December 31, 2011, there is imposed on the taxable income of every resident a tax determined in accordance with the following table:

"If the taxable income is:  
\_\_\_\_\_ The tax is:

"Not over \$ 10,000 \_\_\_\_\_ 4% of the taxable income

"Over \$ 10,000 but not over \$ 40,000 \_\_\_\_\_ \$ 400, plus 6% of the excess over \$ 40,000.

"Over \$ 40,000 but not over \$ 350,000 \_\_\_\_\_ \$ 2,200, plus 8.5% of the excess over \$ 40,000

"Over \$350,000 \_\_\_\_\_ \$28,550, plus 8.95% of the excess above \$350,000.

"(B) This paragraph shall expire as of January 1, 2016."

Section 15(b) of D.C. Law 19-53 provides that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90-day) amendment of section, see §§ 2702(h)

and 2703(c) of the Service Improvement and Fiscal Year 2000 Budget Support Emergency Act of 1999 (D.C. Act 13-110, July 28, 1999, 46 DCR 6320).

For temporary (90 day) amendment of section, see § 802(b) of Fiscal Year 2003 Budget Support Emergency Act of 2002 (D.C. Act 14-453, July 23, 2002, 49 DCR 8026).

For temporary (90 day) amendment of section, see § 6 of Revised Fiscal Year 2012 Budget Support Technical Clarification Emergency Amendment Act of 2011 (D.C. Act 19-157, October 4, 2011, 58 DCR 8688).

For temporary (90 day) amendment of section, see § 8009(b) of Fiscal Year 2013 Budget Support Emergency Act of 2012 (D.C. Act 19-383, June 19, 2012, 59 DCR 7764).

For temporary (90 day) amendment of section, see § 8009(b) of Fiscal Year 2013 Budget Support Congressional Review Emergency Act of 2012 (D.C. Act 19-413, July 25, 2012, 59 DCR 9290).

**Legislative history of Law 1-23.** — For legislative history of D.C. Law 1-23, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 1-70.** — For legislative history of D.C. Law 1-70, see Historical and Statutory Notes following § 47-1803.03.

**Legislative history of Law 4-118.** — For legislative history of D.C. Law 4-118, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 7-29.** — For legislative history of D.C. Law 7-29, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 13-38.** — For Law 13-38, see notes following § 47-1801.04.

**Legislative history of Law 14-190.** — For Law 14-190, see notes following § 47-308.01.

**Legislative history of Law 16-292.** — For Law 16-292, see notes following § 47-1801.04.

**Legislative history of Law 17-231.** — For Law 17-231, see notes following § 47-802.

## § 47-1806.04. Tax on residents and nonresidents — Credits — In general.

(a) The amount of tax payable under this subchapter by a resident of the District in respect to the taxable year shall be reduced by a credit equal to the amount of individual income tax such individual is required to pay and, in fact, has paid to any state, territory or possession of the United States, or political subdivision thereof, upon income attributable to such state, territory or possession of the United States, or political subdivision thereof, for such

taxable year or portion thereof while concurrently a resident of the District. The credit provided under this subsection shall not exceed the proportion of the tax otherwise due under this chapter that the amount of the individual's adjusted gross income received by him, or accrued to him if on an accrual basis, subject to tax in the other jurisdiction bears to his entire adjusted gross income received by him, or accrued to him, while he was concurrently a resident of the District. The Mayor may require satisfactory proof of the payment of such income taxes to another jurisdiction. The credit provided by this subsection shall not be allowed against any tax imposed under §§ 47-1808.01 through 47-1808.06. Beginning with any taxable year after December 31, 1990, no franchise tax, license tax, excise tax, unincorporated business tax, occupation tax, or any tax characterized as such by the other taxing jurisdiction, even if applied to earned or business income, shall qualify as a credit under this section.

(b) The amount deducted and withheld as tax under this chapter during any calendar year upon the wages of any individual shall be allowed as a credit to the recipient of the income against the tax imposed by this chapter, for taxable years beginning in such calendar year. If more than 1 taxable year begins in such calendar year such amount shall be allowed as a credit against the tax for the last taxable year so beginning.

(c)(1) If a return is filed for a full calendar or fiscal year beginning after December 31, 1988, an individual who incurs household and dependent care services necessary to engage in gainful employment and who is allowed a credit under § 21 of the Internal Revenue Code of 1986, shall be allowed, against the tax imposed by this chapter for the taxable year, an amount equal to 32% of the credit allowed under § 21 of the Internal Revenue Code of 1986, regardless of the amount of the credit actually used to offset federal tax liability.

(2) If a return is filed for a period of less than a full calendar or fiscal year beginning after December 31, 1988, the credit allowed under this subsection shall be the credit calculated according to the provisions of paragraph (1) of this subsection, multiplied times the ratio that the employment-related expenses, allowed under § 21 of the Internal Revenue Code of 1986 and incurred during the period of residency in the District, bear to the total employment-related expenses allowed under § 21 of the Internal Revenue Code of 1986, and incurred for the whole taxable year.

(3) In no event shall the credit allowed under paragraph (1) or (2) of this subsection exceed the amount of tax otherwise due without reference to this subsection.

(d) This section shall take effect in accordance with the provisions of § 1-206.02(c)(1) and shall apply to taxable years beginning after December 31, 1978.

(e)(1) The amount of tax payable under this subchapter by a resident of the District in respect to the taxable year shall be reduced by a low income credit designed to make the District's income tax threshold equal to the federal income tax threshold. For purposes of this subsection, the term "tax threshold" means the point at which a taxpayer begins to owe income tax after allowance



of the standard deduction and all personal exemptions to which the taxpayer is entitled, but before application of any itemized deductions or credits. The credit shall be calculated in accordance with a table prescribed by the Mayor.

(2) The credit provided for in paragraph (1) of this subsection shall not be allowed to a resident who has a federal tax liability determined in accordance with section 55 of the Internal Revenue Code of 1986 or who has elected to claim the earned income tax credit provided for in subsection (f) of this section.

(3) In no event shall the credit allowed under paragraph (1) of this subsection exceed the amount of the tax otherwise due without reference to this section.

(f)(1) If a return is filed for a full calendar or fiscal year beginning after December 31, 2004, an individual who is allowed an earned income tax credit under section 32 of the Internal Revenue Code of 1986 shall be allowed a credit against the tax imposed by this chapter for the taxable year in an amount equal to 40% of the earned income tax credit allowed under section 32 of the Internal Revenue Code of 1986; provided, that the credit shall not be allowed to a resident who has elected to claim the low income tax credit provided for in subsection (e) of this section.

(2) If a return is filed for a period of less than a full calendar or fiscal year beginning after December 31, 2004, the credit allowed under this subsection shall be reduced to the amount that bears the same ratio to the credit computed under the provisions of paragraph (1) of this subsection as the number of months in the period for which the return is made bears to 12 months.

(3) The credit allowed under this subsection shall be refundable to the resident claiming the credit.

(g)(1) A taxpayer described in paragraph (2) of this subsection, and who otherwise would not qualify for the earned income tax credit under subsection 32(b) of the Internal Revenue Code of 1986, shall be allowed a credit equal to the credit allowed in subsection (f) of this section.

(2) To qualify for a credit as described in subsection (f) of this section, a taxpayer shall satisfy all the following requirements during the entire period for which the taxpayer seeks the credit:

(A) The taxpayer shall be a District resident taxpayer;

(B) The taxpayer shall be between the ages of 18 and 30;

(C) The taxpayer shall be the parent of a minor child with whom the taxpayer does not reside;

(D) A court order shall require the taxpayer to make child support payments, which are payable through a government-sponsored support collection unit, which order must have been in effect for at least one-half of the taxable year for which the taxpayer is seeking the credit; and

(E) The taxpayer shall have paid an amount in child support in the taxable year at least equal to the amount of current child support due during the taxable year for which the taxpayer is seeking the credit.

(July 16, 1947, 61 Stat. 345, ch. 258, art. I, title VI, § 5; Mar. 31, 1956, 70 Stat. 71, ch. 154, § 9; Apr. 19, 1977, D.C. Law 1-124, title IV, § 401(d)(1), 23 DCR

8749; Mar. 3, 1979, D.C. Law 2-146, §§ 2, 3, 25 DCR 6987; Mar. 6, 1979, D.C. Law 2-158, § 4, 25 DCR 7002; June 11, 1982, D.C. Law 4-118, § 110, 29 DCR 1770; June 24, 1987, D.C. Law 7-9, § 2(i), 34 DCR 3283; Oct. 1, 1987, D.C. Law 7-29, § 2(f)(3)-(5), 34 DCR 5097; May 10, 1989, D.C. Law 7-231, § 50, 36 DCR 492; Sept. 20, 1989, D.C. Law 8-25, § 3, 36 DCR 4721; Sept. 26, 1995, D.C. Law 11-52, § 114, 42 DCR 3684; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Oct. 19, 2000, D.C. Law 13-172, § 2202, 47 DCR 6308; Sept. 6, 2001, D.C. Law 14-22, § 2, 48 DCR 5751; Oct. 20, 2005, D.C. Law 16-33, § 1052, 52 DCR 7503; Aug. 16, 2008, D.C. Law 17-219, § 7002, 55 DCR 7598.)

**Section references.** — This section is referred to in §§ 47-1808.06, 47-1809.03, 47-1816.03, and 47-4214.

**Prior Codifications.** — 1981 Ed., § 47-1806.4.

1973 Ed., § 47-1567d.

**Effect of amendments.** — D.C. Law 13-172 added subsec. (f) and in subsec. (e)(2) substituted “a resident” for “any resident” and inserted “or who has elected to claim the earned income tax credit provided for in subsection (f) of this section.”

D.C. Law 14-22 rewrote subsec. (f) which had read:

“(f)(1) If a return is filed for a full calendar or fiscal year beginning after December 31, 1999, an individual who is allowed an earned income tax credit under section 32 of the Internal Revenue Code of 1986 shall be allowed a credit against the tax imposed by this chapter for the taxable year in an amount equal to 10% of the earned income tax credit allowed under section 32 of the Internal Revenue Code of 1986; provided, that the credit shall not be allowed to a resident who has elected to claim the low income tax credit provided for in subsection (e) of this section.

“(2) If a return is filed for a period of less than a full calendar or fiscal year beginning after December 31, 1999, the credit allowed under this subsection shall be the reduced to the amount that bears the same ratio to the credit computed under the provisions of paragraph (1) of this subsection as the number of months in the period for which the return is made bears to 12 months.

“(3) The credit allowed under this subsection shall be refundable.”

D.C. Law 16-33, added subsec. (g) and rewrote subsec. (f).

D.C. Law 17-219, in subsec. (f)(1), substituted “40%” for “35%”.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2 of D.C. Resident Tax Credit Temporary Amendment Act of 1994 (D.C. Law 10-250, March 23, 1995, law notification 42 DCR 1649).

**Temporary Addition of Section.** — Section 2(a) of D.C. Law 17-275 added a provision

to read as follows: “Sec. 7002a. Applicability. This act shall apply as of January 1, 2009.”

Section 4(b) of D.C. Law 17-275 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary amendment of section, see § 114 of the Omnibus Budget Support Congressional Review Emergency Act of 1995 (D.C. Act 11-124, July 27, 1995, 42 DCR 4160).

For temporary (90-day) amendment of section, see § 2202 of the Fiscal Year 2001 Budget Support Emergency Act of 2000 (D.C. Act 13-376, July 24, 2000, 47 DCR 6574).

For temporary (90 day) amendment of section, see § 2202 of the Fiscal Year 2001 Budget Support Congressional Review Emergency Act of 2000 (D.C. Act 13-438, October 20, 2000, 47 DCR 8740).

For temporary (90 day) amendment of section, see §§ 1052, 1053 of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

For temporary (90 day) addition, see § 2 of Designated Appropriation Allocations Emergency Amendment Act of 2008 (D.C. Act 17-488, July 28, 2008, 55 DCR 9157).

For temporary (90 day) amendment of section, see § 201(c) of Fiscal Year 2009 Balanced Budget Support Emergency Amendment Act of 2008 (D.C. Act 17-572, December 2, 2008, 55 DCR 12452).

**Legislative history of Law 1-124.** — For legislative history of D.C. Law 1-124, see Historical and Statutory Notes following § 47-1803.02.

**Legislative history of Law 2-146.** — Law 2-146, the “District of Columbia Resident Tax Credit Act of 1978,” was introduced in Council and assigned Bill No. 2-370, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 28, 1978 and December 12, 1978, respectively. Signed by the Mayor on December 29, 1978, it was assigned Act No. 2-323 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 2-158.** — For legislative history of D.C. Law 2-158, see His-



torical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 4-118.** — For legislative history of D.C. Law 4-118, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 7-9.** — For legislative history of D.C. Law 7-9, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 7-29.** — For legislative history of D.C. Law 7-29, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 7-231.** — Law 7-231, the “Technical Amendments Act of 1988,” was introduced in Council and assigned Bill No. 7-586, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 29, 1988 and December 13, 1988, respectively. Signed by the Mayor on January 6, 1989, it was assigned Act No. 7-285 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 8-25.** — For legislative history of D.C. Law 8-25, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 11-52.** — Law 11-52, the “Omnibus Budget Support Act of 1995,” was introduced in Council and assigned Bill No. 11-218, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on April 19, 1995, and June 6, 1995, respectively. Signed by the Mayor on July 13, 1995, it was assigned Act No. 11-94 and transmitted to both Houses of Congress for its review. D.C. Law 11-52 became effective on September 26, 1995.

**Legislative history of Law 13-172.** — Law 13-172, the “Fiscal Year 2001 Budget Support Act of 2000,” was introduced in Council and assigned Bill No. 13-679, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on May 15, 2000, and June 6, 2000, respectively. Signed by the Mayor on June 26, 2000, it was assigned Act No. 13-175 and transmitted to both Houses of Congress for its review. D.C. Law 13-172 became effective on October 19, 2000.

**Legislative history of Law 14-22.** — Law 14-22, the “Earned Income Tax Credit Act of 2001,” was introduced in Council and assigned Bill No. 14-21, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on April 3, 2001, and May 1, 2001, respectively. Signed by the Mayor on May 22, 2001, it was assigned Act No. 14-70 and transmitted to both Houses of Congress for its review. D.C. Law 14-22 became effective on September 6, 2001.

**Legislative history of Law 16-33.** — For Law 16-33, see notes following § 47-308.01

**Legislative history of Law 17-219.** — For Law 17-219, see notes following § 47-318.05a.

**Short title.** — Short title: Section 7001 of D.C. Law 17-219 provided that subtitle A of title VII of the act may be cited as the “Earned Income Tax Credit Act of 2008”.

Short title of subtitle L of title I of Law 16-33: Section 1052 of D.C. Law 16-33 provided that subtitle L of title I of the act may be cited as the Expansion of the Earned Income Tax Credit Act of 2005.

**Editor’s notes.** — Section 1053 of D.C. Law 16-33 provided that § 1052(b) shall apply for taxable years beginning after December 31, 2005.

Section 7033 of D.C. Law 17-219 repealed section 3 of D.C. Law 14-22.

## CASE NOTES

### In general.

District of Columbia resident testamentary trust was not subject to double taxation, even though trustees and trust assets were located in other states, as District of Columbia law allowed resident trust to claim tax credit in amount of any income taxes paid to any state. D.C. Code 1981, §§ 47-1809.5, 47-1806.4(a). *District of Columbia v. Chase Manhattan Bank*, 689 A.2d 539, 1997 D.C. App. LEXIS 11 (1997).

Partners of New York law firm who resided in District of Columbia were entitled to credit against District personal income taxes for amounts paid under New York City Unincorporated Business Tax (UBT); UBT was income tax that partners as individuals were required to pay. D.C. Code 1981, § 47-1806.4(a). *District of Columbia v. Califano*, 647 A.2d 761, 1994 D.C. App. LEXIS 159 (1994).

## § 47-1806.05. Tax on residents and nonresidents — Credits — Campaign contributions. [Repealed].

Repealed.

(July 26, 1989, D.C. Law 8-17, § 2(c), 36 DCR 4160.)

**Prior Codifications.** — 1981 Ed., § 47-1806.5. legislative history of D.C. Law 8-17, see Historical and Statutory Notes following § 47-1803.02.

**Legislative history of Law 8-17.** — For

**§ 47-1806.06. Tax on residents and nonresidents — Credits — Property taxes.**

(a)(1) For purposes of providing relief to certain District of Columbia residents who own their principal place of residence and who reside in the same, an income tax credit shall be allowed to the eligible claimant equal to the amount by which all or a portion of real property taxes the taxpayer pays on his or her principal place of residence for the taxable year exceeds a percentage (as determined under paragraph (2) of this subsection) of his or her household gross income for that year. District of Columbia residents who rent their principal place of residence, who reside in the same and who are eligible claimants under the provisions of this section, shall be allowed an income tax credit equal to the amount by which rent paid constituting property taxes, deemed for the purposes of this subsection to be 15% of rent, on his or her principal place of residence for the taxable year, exceeds a percentage (as determined under paragraph (2) of this subsection) of his or her household gross income for that year and which exceeds the amount of any rental supplement payments, received by the claimant pursuant to the provisions of title III of the Rental Housing Act of 1977, during that year. The credit shall not exceed a total of \$750.

(2) For taxable years beginning after December 31, 1977, the percentage required under paragraph (1) of this subsection to be determined for claimants other than elderly, blind, or claimants with disabilities shall be the percentage specified in the following table:

**Regular Circuit Breaker**

If household income is:	Tax credit equals:
\$0 — \$2,999	95% of property tax* exceeding 1.5% of household gross income
\$3,000 — \$4,999	75% of property tax* exceeding 2.0% of household gross income
\$5,000 — \$6,999	75% of property tax* exceeding 2.5% of household gross income
\$7,000 — \$9,999	75% of property tax* exceeding 3.0% of household gross income
\$10,000 — \$14,999	75% of property tax* exceeding 3.5% of household gross income
\$15,000 — \$20,000	75% of property tax* exceeding 4.0% of household gross income

\*or rent paid constituting property tax (15% of rent)

(3) For taxable years beginning after December 31, 1977, the percentage required under paragraph (1) of this subsection to be determined for elderly, blind, or claimants with disabilities shall be the percentage specified in the following table:



## Elderly, Blind, or Disabled Circuit Breaker

If household gross income is:                      The credit shall equal the amount of property taxes paid or rent paid constituting property taxes (15% of rent) which is in excess of the following percentage of household gross income:

Under \$4,999	1.0%
\$5,000 to \$9,999	1.5%
\$10,000 to \$14,999	2.0%
\$15,000 to \$20,000	2.5%

(4) All eligible claimants who rent their principal place of residence, who reside in the same and who receive rental supplements under the provisions of title III of the Rental Housing Act of 1977, shall, when computing their income tax credit pursuant to this section, deduct from the amount of said credit the total amount of rental supplements received during the taxable year. The amount of credit which is in excess of any rental supplements received shall constitute the eligible claimant's total income tax credit under this section. If the amount of rental supplements received exceeds the amount of credit calculated under this section, then the eligible claimant's credit shall equal zero.

(b) For purposes of this section:

(1)(A) The term "household gross income" means gains, profits, and income derived from salaries, wages, or compensation for personal services of whatever kind and in whatever form paid, including salaries, wages, and compensation paid by the United States to its officers and employees, or income derived from any trade or business or sales or dealings in property whether real or personal, including capital assets as defined in this chapter growing out of the ownership or sale of or interest in such property; income from rent, royalties, interest, dividends, securities, or transactions of any trade or business carried on for gain or profit, or gains or profits and income derived from any source whatever, including but not limited to cash distributions from a business or investment entity in which the claimant has an interest, alimony, and separate maintenance payments (including amounts received under separate maintenance agreements), strike benefits, cash public assistance and relief (not including relief or credit granted under this section), sick pay, workmen's compensation, proceeds of life insurance policies, the gross amount of any pension or annuity (including railroad retirement benefits, veterans' disability pensions, or payment received under the federal Social Security Act), state or District of Columbia unemployment compensation laws, and nontaxable interest received from the United States, a state or any agency or instrumentality thereof. The word "income" does not include gifts from nongovernmental sources, food stamps, or food or other relief in kind supplied by a governmental agency.

(B) In determining household gross income the exclusions from gross income as provided by § 47-1803.02(a) shall not apply.

(2) The term "household income" shall have the same meaning as the

words “adjusted gross income” as defined in subsection (c) [repealed] of § 47-1803.02 [see now § 47-1803.02(b)]. For purposes of determining adjusted gross income within the meaning of this section, gross income shall mean household income as defined in this section.

(3) The term “home” means the claimant’s dwelling house, whether owned or rented by the claimant, and so much of the land surrounding it as is reasonably necessary for use of the dwelling as a home, and may include a multi-unit building or a multi-purpose building and a part of the land upon which it is located.

(4) The term “claimant” means a person who has filed a claim under this section, was an owner of record of a home in the District, or a lessee, tenant at will, or tenant at sufferance paying rent on a home in the District, during the entire calendar year preceding the year in which he files a claim for relief under this section. Only 1 claimant per home and per household per year shall be entitled to relief under this section.

(5) The term “elderly claimant” means a claimant who is 62 years of age or older during any tax year or part thereof beginning after December 31, 1976, and who, together with his or her spouse or domestic partner, if any, provides 50% or more of the household gross income of the household of which he or she is a part.

(6) The term “blind claimant” means a claimant whose central visual acuity does not exceed  $\frac{20}{200}$  in the better eye with correcting lenses or whose visual acuity is greater than  $\frac{20}{200}$  but is accompanied by a limitation in the field of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees.

(7)(A) The term “disabled claimant” means a claimant unable to engage in any gainful activity by reason of a medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months. Certification of such physical or mental impairment shall be attested to by a licensed physician selected by the claimant at his or her own expense. Such claims and certification shall be submitted in such form and in such manner and at such time as the Mayor shall prescribe.

(B) In the event that the Mayor shall determine that a claim made under the provisions of this subsection is unsubstantiated by available evidence, the Mayor may require the claimant to be examined by a licensed physician chosen by the Mayor at the expense of the District of Columbia government.

(8)(A) The term “rent paid” is that amount paid by a claimant to a landlord solely for the right of occupancy of a home in the District, including the right to use the personal property located therein. Utility charges may be included in the amount of rent paid if they are included in the amount paid to a landlord in connection with the right to occupancy. The term “rent paid” does not include:

(i) Rental supplements obtained under the provisions of title III of the Rental Housing Act of 1977 [D.C. Law 2-54];

(ii) Advance rental payments for another period;



(iii) Rental deposits, whether or not expressly set out in the rental agreement;

(iv) Any charges for medical services or food provided by the landlord; or

(v) Payments made to a landlord for the right of occupancy of property which is exempt from District real property taxes.

(B) The term "rent constituting property taxes accrued" means 15% of the rent paid in any calendar year by a claimant solely for the right of occupancy of his home in the calendar year, and which constitutes the basis of a claim in the succeeding calendar year for a credit for property taxes paid.

(c) In the event that any installment of rent for a calendar year for which a claim is filed is paid prior to the beginning of or subsequent to the end of such calendar year, it shall be included as rent for the year for which the claim was made and for no other year, and shall not be included as rent for purposes of this section for the year in which the installment was paid.

(d) If the Mayor determines that the rent paid was not the result of an agreement entered into at arm's length between the tenant and his landlord, the Mayor may adjust the rent to a reasonable amount for the purposes of this section.

(e)(1) Beginning with calendar year 1977, and for each succeeding calendar year, if a claimant owns and occupies his or her home in the District on December 31st of any such year, "property taxes accrued" means real property taxes (exclusive of special assessments, interest on a delinquency in payment of tax, and penalties and services charges) as reflected on the District real estate tax bill ordinarily sent out in September of such year; provided, however, that any amount of real property tax deferred under the provisions of § 47-845 shall be considered as "property taxes accrued" for the purpose of determining the credit allowable under this section. If a home is an integral part of a larger unit such as a multi-purpose building or a multi-dwelling building, property taxes accrued shall be that percentage of the total property taxes accrued as the value of the home bears to the total value of the property.

(2) When a claimant owns or rents 2 or more different homes in the District in the same calendar year, "property taxes accrued" or "rent constituting property taxes accrued" shall be based on the claimant's status as an owner or renter on December 31st of such calendar year.

(3) When a claimant rents 2 or more different homes in the District in the same calendar year, rent paid by the claimant during that year shall be determined by dividing the rent paid pursuant to the last rental agreement in force during that calendar year by the number of months during that calendar year for which this rent was paid and by multiplying the result by 12.

(f) The right to file under this section shall be personal to the claimant, but such right may be exercised by his legal guardian or attorney-in-fact. The right to file a claim shall not survive the death of a claimant. If a claimant dies after having filed a claim, any amount refunded as a result thereof shall be disbursed to his estate; provided, that if no executor or administrator qualifies therein within 2 years of the filing of the claim, or no petition for distribution

of a small estate is filed pursuant to §§ 20-2101 and 20-2102, the claim shall not be allowed.

(g) Subject to the limitations provided in this section, commencing with the taxable year beginning after December 31, 1974, and for succeeding taxable years, the claimant may claim as a credit against the District income taxes otherwise due on his income, property taxes accrued or rent constituting property taxes accrued for that year. If the allowable amount of such claim exceeds the income taxes otherwise due from the claimant, or other tax liabilities of the claimant to the District, or if there are no District income taxes due from the claimant, the amount of the claim not used as an offset against income taxes or other tax liabilities of the claimant to the District shall be paid or credited to the claimant. No interest shall be allowed on any payment made to a claimant pursuant to this section.

(h) No claim with respect to property taxes accrued or with respect to rent constituting property taxes accrued shall be allowed unless a District of Columbia individual income tax return or (if the claimant is not required to file such return) a claim for credit under this section is filed with the District on the forms and in such manner and with such information as the Mayor may prescribe. Any claim for credit shall be filed with the District on or before the expiration of the 3-year statute of limitations. The statute of limitations shall commence to run on April 15th of the year following the year for which the claim is made.

(i) The amount of any claim otherwise payable under this section may be applied by the District against any outstanding tax liability of the claimant to the District.

(j)(1) In determining eligibility for the credit allowable under this section, and for the purpose of determining outstanding tax liability (if any) of the claimant to the District household income for which the claim is filed and the claimant's outstanding tax liability (if any) shall be determined on the basis of the combined household income of all members present in the household.

(2) In the case of spouses or domestic partners who, during the entire calendar year for which a claim is filed under this section, maintain separate homes, for the purpose of determining household income and the claimant's outstanding tax liability (if any), such spouses or domestic partners shall be deemed to have been unmarried during the calendar year for which the claim is made.

(k) No credit shall be allowed under this subchapter for any year during which the person claiming the credit was a dependent, under any state, federal, or District law levying a tax on income, unless during that year such person is or becomes 65 years of age or older.

(l) A claimant whose claim is based on the amount of rent paid shall substantiate the rent paid upon a request by the Mayor.

(m)(1) If, on an audit of any claim filed under this section, the Mayor finds the amount to have been incorrectly computed, he shall determine the correct amount and notify the claimant in accordance with the procedures set forth in § 47-1812.05.

(2) If it is determined that a claim was filed with fraudulent intent, it



shall be disallowed in full. If the claim has been paid or a credit has been allowed against income taxes otherwise payable, the credit shall be canceled and the amount paid shall be assessed against the claimant and recovered in the same manner as provided for the collection of taxes under § 47-412 [repealed].

(n) No claim for relief under this section shall be allowed to any person who was not living in a home which was subject to District of Columbia real property taxation during the calendar year for which the claim is filed.

(o) The Mayor is authorized to provide a table which will approximate, as closely as feasible, the amount of relief allowable under this section.

(p) If it is determined by the District that a claimant received title to his home in the District or became legally obligated to pay rent for his home in the District primarily for the purpose of receiving benefits under the provisions of this section, his claim shall be disallowed.

(q) The Council of the District of Columbia is empowered to make such changes in the amount of annual relief provided under subsection (a) of this section as it may deem proper.

(July 16, 1947, 61 Stat. 345, ch. 258, art. I, title VI, § 8; Sept. 3, 1974, 88 Stat. 1060, Pub. L. 93-407, title IV, § 451; Jan. 3, 1975, 88 Stat. 2176, Pub. L. 93-635, § 7(a)(1), (b)(1), (c)-(e); Apr. 19, 1977, D.C. Law 1-124, title IV, § 401(d)(2), 23 DCR 8749; Feb. 28, 1978, D.C. Law 2-45, § 4, 24 DCR 3614; Mar. 3, 1979, D.C. Law 2-130, § 6, 25 DCR 2517; Nov. 20, 1979, D.C. Law 3-37, § 5, 26 DCR 1564; June 11, 1982, D.C. Law 4-118, § 112, 29 DCR 1770; July 24, 1982, D.C. Law 4-131, § 108(c), (d), 29 DCR 2418; Apr. 30, 1988, D.C. Law 7-104, § 39(d), (e), 35 DCR 147; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 24, 2007, D.C. Law 16-305, § 73(e), 53 DCR 6198; Sept. 12, 2008, D.C. Law 17-231, § 41(i), 55 DCR 6758.)

**Cross references.** — Real property assessments and taxes, promulgation of rules and regulations, powers of Mayor, see § 47-814.

**Section references.** — This section is referred to in §§ 42-2851.02, 47-857.01, 47-865, 47-1808.06 and 47-1809.03.

**Prior Codifications.** — 1981 Ed., § 47-1806.6.

1973 Ed., § 47-1567g.

**Effect of amendments.** — D.C. Law 16-305 substituted “claimants with disabilities” for “disabled claimants”, throughout the section.

D.C. Law 17-231, in subsec. (b)(5), substituted “spouse or domestic partner” for “spouse”; and, in subsec. (j)(2), substituted “spouses or domestic partners” for “husband and wife”.

**Legislative history of Law 1-124.** — For legislative history of D.C. Law 1-124, see Historical and Statutory Notes following § 47-1803.02.

**Legislative history of Law 2-45.** — Law 2-45, the “Residential Property Tax Relief Act of 1977,” was introduced in Council and assigned Bill No. 2-127, which was referred to the Committee on Finance and Revenue. The Bill was

adopted on first, amended first, and second readings on June 28, 1977, July 26, 1977 and September 13, 1977, respectively. Signed by the Mayor on November 2, 1977, it was assigned Act No. 2-96 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 2-130.** — Law 2-130, the “District of Columbia Renters and Homeowners Tax Reduction Act of 1978,” was introduced in Council and assigned Bill No. 2-318, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 27, 1978 and July 25, 1978, respectively. Signed by the Mayor on August 30, 1978, it was assigned Act No. 2-268 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 3-37.** — Law 3-37, the “Real Property Tax Classifications Act for Tax Year 1980,” was introduced in Council and assigned Bill No. 3-141, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on July 31, 1979 and September 11, 1979, respectively. Signed by the Mayor on Septem-

ber 28, 1979, it was assigned Act No. 3-104 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 4-118.** — For legislative history of D.C. Law 4-118, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 4-131.** — For legislative history of D.C. Law 4-131, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 7-104.** — For legislative history of D.C. Law 7-104, see Historical and Statutory Notes following § 47-1803.03.

**Legislative history of Law 16-305.** — For Law 16-305, see notes following § 47-802.

**Legislative history of Law 17-231.** — For Law 17-231, see notes following § 47-802.

**References in text.** — The definition of “adjusted gross income,” referred to as being contained in subsection (c) of § 47-1803.2 in subsection (b)(2), is now contained in subsection (b) of § 47-1803.02.

“The Rental Housing Act of 1977,” referred to in (b)(8)(A)(i), is D.C. Law 2-54, which had been codified as Chapter 34 of title 42, and has been superseded by the Rental Housing Act of 1980, D.C. Law 3-131. See also § 42-3401.03(15).

Sections 20-2101 and 20-2102, referred to near the end of subsection (f) of this section, refer to sections contained in Title 20 prior to the title’s revision by D.C. Law 3-72, effective June 24, 1980.

**Editor’s notes.** — Definitions applicable: The definitions in § 47-803 apply to this section.

## § 47-1806.07. Tax on residents and nonresidents — Reduction of top rate to goal of 8% or lower.

Beginning February 1, 2000, in addition to the operative rate reductions provided for in this title, the Mayor and the Council shall consider reducing the highest individual income tax rate in § 47-1806.03 to a goal of 8% or lower, if:

(1) the Comprehensive Annual Financial Report for the immediately preceding fiscal year shows that actual local source general fund revenue exceeds the original forecast of such revenue presented in the immediately preceding fiscal year’s budget submission to Congress;

(2) The Chief Financial Officer certifies that less than half of the excess local source general fund revenue for the immediately preceding fiscal year is derived from non-recurring sources;

(3) The Chief Financial Officer certifies that the nominal GDP growth is greater than or equal to 3.5%, and the real GDP growth is greater than or equal to 1.7%; and

(4) The Mayor and the Council shall consider the need for further tax reductions in conjunction with other government needs.

(Oct. 20, 1999, D.C. Law 13-38, § 2704(b), 46 DCR 6373.)

**Emergency legislation.** — For temporary (90-day) addition of section, see § 2704(b) of the Service Improvement and Fiscal Year 2000 Budget Support Emergency Act of 1999 (D.C. Act 13-110, July 28, 1999, 46 DCR 6320).

**Legislative history of Law 13-38.** — For Law 13-38, see notes following § 47-1801.04.

**References in text.** — “This title,” referred to in the introductory language of this section, is title XXVII of D.C. Law 13-38, the “Tax Parity Act of 1999”.

## § 47-1806.08. Tax on residents and nonresidents; credits; targeted historic housing credit — Definitions. [Repealed].

Repealed.



(Apr. 19, 2002, D.C. Law 14-114, § 302(b)(2), 49 DCR 1468; Mar. 14, 2007, D.C. Law 16-294, § 4, 54 DCR 1086; Sept. 18, 2007, D.C. Law 17-20, § 2302, 54 DCR 7052.)

**Emergency legislation.** — For temporary (90 day) repeal of section, see § 4 of Targeted Historic Preservation Assistance Congressional Review Emergency Act of 2006 (D.C. Act 16-500, October 23, 2006, 53 DCR 9046).

For temporary (90 day) repeal of section, see § 2302 of Fiscal Year 2008 Budget Support Emergency Act of 2007 (D.C. Act 17-74, July 25, 2007, 54 DCR 7549).

**Legislative history of Law 14-114.** — For Law 14-114, see notes following § 47-857.01.

**Legislative history of Law 16-294.** — For Law 16-294, see notes following § 47-340.23.

**Legislative history of Law 17-20.** — For Law 17-20, see notes following § 47-305.02.

**Short title.** — Short title: Section 2301 of D.C. Law 17-20 provided that subtitle R of title II of the act may be cited as the “Targeted Historic Tax Credit Repeal Act of 2007”.

**Editor’s notes.** — D.C. Law 17-20, § 2302, made a technical correction in the repeal of this section by D.C. Law 16-294, § 4.

Section 1101 of D.C. Law 14-114 provided: “The Mayor, pursuant to Title I of the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1204; D.C. Official Code § 2-501 et seq.), shall promulgate rules to implement this act.”

## §§ 47-1806.08a to 47-1806.08g. Tax on residents and nonresidents — Allowable credit; refund of credit; transferability of credit; lien; cancellation of credit; penalty; applicability to nonprofit corporations; cap; applicability date; mayoral certification. [Repealed].

Repealed.

(Apr. 19, 2002, D.C. Law 14-114, § 302(b)(2), 49 DCR 1468; Mar. 14, 2007, D.C. Law 16-294, § 4, 54 DCR 1086; Sept. 18, 2007, D.C. Law 17-20, § 2302, 54 DCR 7052.)

**Emergency legislation.** — For temporary (90 day) repeal of section, see § 4 of Targeted Historic Preservation Assistance Congressional Review Emergency Act of 2006 (D.C. Act 16-500, October 23, 2006, 53 DCR 9046).

For temporary (90 day) repeal of section, see § 2302 of Fiscal Year 2008 Budget Support Emergency Act of 2007 (D.C. Act 17-74, July 25, 2007, 54 DCR 7549).

**Legislative history of Law 14-114.** — For Law 14-114, see notes following § 47-857.01.

**Legislative history of Law 16-294.** — For Law 16-294, see notes following § 47-340.23.

**Legislative history of Law 17-20.** — For Law 17-20, see notes following § 47-305.02.

Miscellaneous Note D.C. Law 17-20, § 2302, made a technical correction in the repeal of this section by D.C. Law 16-294, § 4.

## § 47-1806.09. Tax on residents and nonresidents; credits; lower income, long-term homeowner credit — Definitions.

For the purposes of §§ 47-1806.09 through 47-1806.09f, the term:

(1)(A) “Area median income” means:

(i) For a household of 4 persons, the area median income for a household of 4 persons in the Washington Metropolitan Statistical Area as set forth in the periodic calculation provided by the United States Department of Housing and Urban Development;

(ii) For a household of 3 persons, 90% of the area median income for a household of 4 persons;

(iii) For a household of 2 persons, 80% of the area median income for a household of 4 persons;

(iv) For a household of one person, 70% of the area median income for a household of 4 persons;

(v) For a household of more than 4 persons, the area median income for a household of 4 persons, increased by 10% of the area median income for a family of 4 persons for each household member exceeding 4 persons (e.g., the area median income for a family of 5 shall be 110% of the area median income for a family of 4; the area median income for a household of 6 shall be 120% of the area median income for a family of 4).

(B) Any percentage of household income referenced in §§ 47-1806.09 through 47-1806.09e (e.g., 80% of household income) shall be determined through a direct mathematical calculation and shall not take into account any adjustments made by the United States Department of Housing and Urban Development for the purposes of the programs it administers. A determination required by this subparagraph shall be calculated for the fiscal year ending in the tax year for which the credit is claimed.

(2) "Eligible residence" means a real property receiving the homestead deduction under § 47-850 or a unit within a cooperative housing association for which the cooperative housing association is receiving the homestead deduction under § 47-850.01.

(3) "Eligible resident" means a resident, as defined in § 47-1801.04(17), who:

(A)(i) Owns an eligible residence as his principal place of residence and has resided in the eligible residence for at least 7 consecutive years immediately prior to the last day of the tax year; or

(ii) Is a shareholder or member of a cooperative housing association, occupies by right an eligible residence by reason of his ownership of a stock or membership certificate, proprietary lease, or other evidence of membership in the cooperative housing association, and has resided in the eligible residence as his or her principal place of residence for at least 7 consecutive years immediately prior to the last day of the tax year; and

(B) Has a household income equal to or less than 50% of the area median income.

(4) "Household income" means the total "adjusted gross income", as defined in § 47-1803.02(b), of every member of the household.

(Apr. 19, 2002, D.C. Law 14-114, § 401(b), 49 DCR 1468; Oct. 19, 2002, D.C. Law 14-213, §§ 33(s), 35(a), 49 DCR 8140; Dec. 7, 2004, D.C. Law 15-205, § 1172(b), 51 DCR 8441; Mar. 2, 2007, D.C. Law 16-191, § 77, 53 DCR 6794.)

**Effect of amendments.** — D.C. Law 14-213, in the introductory paragraph, substituted "§ 47-1806.09f" for "§ 4-1806.09f"; and made a technical change in the enacting clause of D.C. Law 14-114, § 401(b), which resulted in no change in text.

D.C. Law 15-205 added a new sentence at the end of par. (1)(B); in par. (2), substituted "real property receiving the homestead deduction under § 47-850 or a unit within a cooperative housing association for which the cooperative housing association is receiving the homestead



deduction under § 47-850.01." for "Class 1 property as defined in § 47-813(c-4)(1)"; in par. (3), substituted "resident, as defined in § 47-1801.04(17)" for "taxpayer, as defined in § 47-1801.04(7)", and rewrote subpar. (A); and, in par. (4), substituted "means the total 'adjusted gross income,' as defined in § 47-1803.02(b), of every member of the household" for "have the same meaning as 'household income' in § 47-1806.06(b)(2)". Prior to amendment, subpar. (A) of par. (3) had read as follows: "(A) Owns an eligible residence as his or her principal place of residence and has resided in the eligible residence for at least 7 years; and,".

D.C. Law 16-191, in par. (4), validated a previously made technical correction.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2(b) of Lower Income, Long-Term Homeowner Credit Administration Temporary Act of 2004 (D.C. Law 15-179, September 8, 2004, law notification 51 DCR 9221).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2(b) of Lower Income, Long-term Homeowner Credit Administration Emergency Act of 2004 (D.C. Act 15-421, May 10, 2004, 51 DCR 5174).

For temporary (90 day) amendment of section, see § 1172(b) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) amendment of section, see § 1172(b) of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR).

For temporary (90 day) amendment of section, see § 10 of Finance and Revenue Technical Amendments Second Emergency Amendment Act of 2006 (D.C. Act 16-585, December 28, 2006, 54 DCR 340).

**Legislative history of Law 14-114.** — For Law 14-114, see notes following § 47-857.01.

**Legislative history of Law 14-213.** — For Law 14-213, see notes following § 47-820.

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-903.

**Legislative history of Law 16-191.** — For Law 16-191, see notes following § 47-308.02.

**Short title.** — Short title of subtitle P of title I of Law 15-205: Section 1171 of D.C. Law 15-205 provided that subtitle P of title I of the act may be cited as Lower Income, Long-Term Homeowner Credit Administration Act of 2004.

**Editor's notes.** — Section 1101 of D.C. Law 14-114 provided: "The Mayor, pursuant to Title I of the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1204; D.C. Official Code § 2-501 et seq.), shall promulgate rules to implement this act."

## § 47-1806.09a. Tax on residents and nonresidents — Credits — Lower income, long-term homeowner credit — Allowable credit.

(a) Subject to subsection (b) of this section and § 47-1806.09b, an eligible resident shall be allowed a credit against the tax imposed by § 47-1806.03 computed as follows: the amount of the real property tax imposed on the eligible residence under § 47-811 during the real property tax year ending in the tax year for which the credit is allowed, less 105% of the real property tax under § 47-811 imposed on the eligible residence under § 47-811 during the prior real property tax year.

(b) If an eligible residence is a unit within a cooperative housing association, the credit shall be computed in accordance with subsection (a) of this section using the net amount of real property tax apportioned to the eligible residence by the cooperative housing association as the amount of real property tax imposed. The cooperative housing association shall provide to the eligible resident upon his request data concerning the amount of real property taxes apportioned to his or her eligible residence by the cooperative housing association for the real property tax year ending in the tax year for which the credit is allowed and the prior real property tax year, accounting for real property tax credits and deductions passed through to the eligible resident to include the homestead deduction under § 47-850.01 and the senior citizen deduction under § 47-863.

(Apr. 19, 2002, D.C. Law 14-114, § 401(b), 49 DCR 1468; Dec. 7, 2004, D.C. Law 15-205, § 1172(c), 51 DCR 8441.)

**Effect of amendments.** — D.C. Law 15-205, in subsec. (a), substituted “§ 47-1806.09b” for “§ 47-1806.08b” and substituted “prior real property tax year” for “prior tax year”; and rewrote subsec. (b) which had read as follows: “(b) The credit allowed by this section shall be allowed for tax years beginning on or after October 1, 2002.”

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2(c) of Lower Income, Long-Term Homeowner Credit Administration Temporary Act of 2004 (D.C. Law 15-179, September 8, 2004, law notification 51 DCR 9221).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2(c) of

Lower Income, Long-term Homeowner Credit Administration Emergency Act of 2004 (D.C. Act 15-421, May 10, 2004, 51 DCR 5174).

For temporary (90 day) amendment of section, see § 1172(c) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) amendment of section, see § 1172(c) of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR).

**Legislative history of Law 14-114.** — For Law 14-114, see notes following § 47-857.01.

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-903.

## § 47-1806.09b. Tax on residents and nonresidents — Credits — Lower income, long-term homeowner credit — Application for credit.

(a) To receive the credit allowed by § 47-1806.09a, the eligible resident shall submit, with the resident's District of Columbia income tax return, an application containing any forms and information prescribed by the Mayor. If the resident is not required to file a District of Columbia income tax return, the resident shall submit an application containing any forms and information in a manner that the Mayor shall prescribe.

(b) If the resident does not submit the application required by subsection (a) of this section within 12 months after the last day of the tax year for which the credit may first be requested, the credit shall not be allowed.

(c) An eligible resident may apply for the credit allowed by § 47-1806.09a or the credit allowed by § 47-1806.08a [repealed], but shall not be eligible for both tax credits. No person may apply for any of the credits if another person in the household has applied for any of the credits.

(d) An eligible resident in a household may seek a pro rata contribution from the eligible resident who receives the credit. The eligible resident who does not receive the credit shall not have any right against the District of Columbia to claim or recover the credit or any portion thereof, whether at law or in equity.

(e) Notwithstanding subsection (a) of this section, an eligible resident shall not be required to submit an application with the eligible resident's 2003 District of Columbia personal income tax return.

(Apr. 19, 2002, D.C. Law 14-114, § 401(b), 49 DCR 1468; Dec. 7, 2004, D.C. Law 15-205, § 1172(d), 51 DCR 8441.)

**Effect of amendments.** — D.C. Law 15-205, in subsec. (a), substituted “§ 47-1806.09a” for “§ 47-1806.09b”; in subsec. (b), substituted “tax” for “taxable”; in subsec. (c), added a new

sentence at the end; and added subsecs. (d) and (e).

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section,



see § 2(d) of Lower Income, Long-Term Homeowner Credit Administration Temporary Act of 2004 (D.C. Law 15-179, September 8, 2004, law notification 51 DCR 9221).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2(d) of Lower Income, Long-term Homeowner Credit Administration Emergency Act of 2004 (D.C. Act 15-421, May 10, 2004, 51 DCR 5174).

For temporary (90 day) amendment of section, see § 1172(d) of Fiscal Year 2005 Budget

Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) amendment of section, see § 1172(d) of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

**Legislative history of Law 14-114.** — For Law 14-114, see notes following § 47-1806.09.

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-903.

### **§ 47-1806.09c. Tax on residents and nonresidents — Credits — Lower income, long-term homeowner credit — Correction of errors.**

If, pursuant to an audit or other review of an application filed under § 47-1806.09b, the Mayor determines the amount of the credit has been incorrectly computed, the Mayor shall determine the correct amount of the credit and notify the eligible resident in accordance with the procedures set forth in § 47-1812.05.

(Apr. 19, 2002, D.C. Law 14-114, § 401(b), 49 DCR 1468.)

**Legislative history of Law 14-114.** — For Law 14-114, see notes following § 47-857.01.

### **§ 47-1806.09d. Tax on residents and nonresidents — Credits — Lower income, long-term homeowner credit — Fraud.**

(a) If the Mayor determines, before the credit is allowed, that an application filed under § 47-1806.09b was filed with fraudulent intent, the Mayor shall deny the application.

(b) Repealed.

(c) The remedies authorized by this section shall be in addition to any other remedy allowed by law.

(Apr. 19, 2002, D.C. Law 14-114, § 401(b), 49 DCR 1468; Dec. 7, 2004, D.C. Law 15-205, § 1172(e), 51 DCR 8441.)

**Effect of amendments.** — D.C. Law 15-205 repealed subsec. (b) which had read as follows: “(b) If the Mayor determines, after a credit has been allowed against income taxes otherwise payable to the District, that an application filed under § 47-1806.09c was filed with fraudulent intent, the credit shall be canceled, the amount of the credit allowed shall be assessed against the applicant, and the amount assessed may be collected in the manner provided by § 47-412.”

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2(e) of Lower Income, Long-Term Homeowner Credit Administration Temporary Act of

2004 (D.C. Law 15-179, September 8, 2004, law notification 51 DCR 9221).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2(e) of Lower Income, Long-term Homeowner Credit Administration Emergency Act of 2004 (D.C. Act 15-421, May 10, 2004, 51 DCR 5174).

For temporary (90 day) amendment of section, see § 1172(e) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) amendment of section, see § 1172(e) of Fiscal Year 2005 Budget Support Congressional Review Emergency Act

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of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

**Legislative history of Law 14-114.** — For Law 14-114, see notes following § 47-857.01.

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-903.

## § 47-1806.09e. Tax on residents and nonresidents — Credits — Lower income, long-term homeowner credit — Carryover of credit.

If the credit allowed under § 47-1806.09a exceeds the total income tax liability of the eligible resident under § 47-1806.03 for the tax year in which the credit is allowed, the eligible resident may claim a refund in the amount of the excess.

(Apr. 19, 2002, D.C. Law 14-114, § 401(b), 49 DCR 1468; Dec. 7, 2004, D.C. Law 15-205, § 1172(f), 51 DCR 8441.)

**Effect of amendments.** — D.C. Law 15-205 substituted “§ 47-1806.09a” for “§ 47-1806.08a” and substituted “tax” for “taxable”.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2(f) of Lower Income, Long-Term Homeowner Credit Administration Temporary Act of 2004 (D.C. Law 15-179, September 8, 2004, law notification 51 DCR 9221).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2(f) of Lower Income, Long-term Homeowner Credit Administration Emergency Act of 2004 (D.C. Act 15-421, May 10, 2004, 51 DCR 5174).

For temporary (90 day) amendment of section, see § 1172(f) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) amendment of section, see § 1172(f) of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

**Legislative history of Law 14-114.** — For Law 14-114, see notes following § 47-857.01.

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-903.

## § 47-1806.09f. Tax on residents and nonresidents — Credits — Lower income, long-term homeowner credit — Applicability date; Mayoral certification.

(a) Sections 47-1806.09 through 47-1806.09f shall apply for the income tax years beginning after December 31, 2002.

(b) An eligible resident shall apply for the tax credit under § 47-1806.09a using an application form to be developed by the Office of Tax and Revenue. For tax year 2003, this form shall be developed by the Chief Financial Officer by April 1, 2004.

(Apr. 19, 2002, D.C. Law 14-114, § 401(b), 49 DCR 1468; Dec. 7, 2004, D.C. Law 15-205, § 1172(g), 51 DCR 8441.)

**Effect of amendments.** — D.C. Law 15-205 rewrote subsec. (b) which had read as follows: “(b) The Mayor shall certify to the Office of Tax and Revenue and to each owner of each property that the owner is an eligible resident, that the property is an eligible residence qualified for the tax credit allowed under § 47-1806.09a, and the dollar amount of the improvements to

the property qualifying for the credit. The certification shall specify the record owner; address; full legal description; and the dollar amount of the qualified improvements under this section. The certification shall be delivered to both the qualified property owner and Office of Tax and Revenue on or before the first day the tax year in which the credit is first claimed.



In addition, the certification shall be attached to the owner's District of Columbia income tax return to claim the credit."

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2(b) of Low-Income, Long-Term Homeowner's Protection Clarification Temporary Act of 2004 (D.C. Law 15-161, May 18, 2004, law notification 51 DCR 5701).

For temporary (225 day) amendment of section, see § 2(g) of Lower Income, Long-Term Homeowner Credit Administration Temporary Act of 2004 (D.C. Law 15-179, September 8, 2004, law notification 51 DCR 9221).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2(b) of Low-income, Long-Term Homeowner's Protection Clarification Emergency Act of 2004 (D.C. Act 15-380, February 27, 2004, 51 DCR 2649).

For temporary (90 day) amendment of section, see § 2(g) of Lower Income, Long-term Homeowner Credit Administration Emergency Act of 2004 (D.C. Act 15-421, May 10, 2004, 51 DCR 5174).

For temporary (90 day) amendment of section, see § 1172(g) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) amendment of section, see § 1172(g) of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

**Legislative history of Law 14-114.** — For Law 14-114, see notes following § 47-857.01.

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-903.

## § 47-1806.10. Income averaging — Employment discrimination.

(a) For the purposes of this section, the term:

(1) "Average annual net backpay and frontpay amount" means the amount equal to the excess of employment discrimination backpay and frontpay over the amount of deductions that would have been allowable but for subsection (b)(1)(B) of this section, divided by the number of years in the backpay period and frontpay period.

(2) "Backpay" means amounts includible in gross income in the taxable year as compensation which is attributable to services performed, or that would have been performed, but for a claimed violation of law, as an employee, former employee, or prospective employee in a prior taxable year for the taxpayer's employer, former employer, or prospective employer.

(3) "Backpay period" means the period during which services are performed, or would have been performed, to which backpay is attributable. If the period is not equal to a whole number of taxable years, the period shall be increased to the next highest number of whole taxable years.

(4) "Employment discrimination backpay or frontpay" means backpay or frontpay receivable, whether as a lump sum or periodic payments, on account of a claim of unlawful employment discrimination.

(5) "Frontpay" means amounts includible in gross income in the taxable year as compensation which is attributable to employment that would have been performed but for a claimed violation of law, in a subsequent taxable year, and which are:

(A) Ordered, recommended, or approved by any government entity to satisfy a claim for violation of law; or

(B) Received from the settlement of such a claim.

(6) "Frontpay period" means the period of foregone employment to which frontpay is attributable. If the period is not equal to a whole number of taxable years, the period shall be increased to the next highest number of whole taxable years.

(b) If employment discrimination backpay or frontpay is received during a taxable year, the tax imposed under § 47-1806.03 for the taxable year shall not exceed the sum of:

(1) The tax which would be so imposed if:

(A) No amount of backpay or frontpay were included in gross income for the year; and

(B) No deductions were allowed for the year for expenses (otherwise allowable as a deduction to the taxpayer for the year) in connection with making or prosecuting any claim of unlawful employment discrimination by or on behalf of the taxpayer; and

(2) The product of:

(A) The number of years in the backpay period and frontpay period; and

(B) The amount by which the tax determined under paragraph (1) of this subsection would increase if the amount on which such tax is determined were increased by the average annual net backpay and frontpay amount.

(June 25, 2002, D.C. Law 14-165, § 2(b)(2), 49 DCR 4261.)

**Legislative history of Law 14-165.** — For Law 14-165, see notes following § 47-1803.02.

14-165 provided that section 2 shall apply to taxable years beginning on January 1, 2001.

**Editor's notes.** — Section 3 of D.C. Law

## § 47-1806.11. Tax on residents and nonresidents — Credits — Energy conservation credit. [Repealed].

Repealed.

(May 12, 2006, D.C. Law 16-97, § 2, 53 DCR 1663; Mar. 14, 2007, D.C. Law 16-294, § 18(b), 54 DCR 1086.)

**Cross references.** — Economic development zones, eligibility for tax incentives, see § 6-1504.

"Peepayer" defined, see § 47-2751.

Income and franchise taxes, gross income, items included and excluded, see § 47-1803.02.

Income and franchise taxes, gross income, same—deductions, exceptions, see § 47-1803.03.

Income and franchise taxes, returns, same—filing, fiscal year, filing dates, see § 47-1805.03.

Tax on unincorporated businesses, "unincorporated business" defined, see § 47-1808.01.

**Temporary Addition of Section.** — Section 2(b) of D.C. Law 17-384 added a section to read as follows:

"§ 47-1806.12. Tax credit for hiring qualified veterans.

"(a) For the purposes of this section, the term:

"(1) 'Armed Forces' shall include any branch of the United States Military, including the Army, Navy, Marines, Air Force, Coast Guard, or any National Guard or reserve deployment lasting 6 continuous months or longer.

"(2) 'Qualified veteran' means an individual

subject to the District's personal income tax who:

"(A) Has previously served in a branch of the Armed Forces and who was honorably or generally discharged;

"(B) Is not currently employed in a facility owned or operated by the District business with an exemption under § 47-4605;

"(C) Is hired to fill a position of indefinite duration consisting of a minimum of 35 hours per week for not less than 48 weeks per year;

"(D) Is hired within 5 years after being discharged from the Armed Forces or within 2 years of a continuous 6-month National Guard deployment;

"(E) Is a District resident at the time of hiring and maintains District residency for the duration of the 2-year tax credit period; and

"(F) Is not currently employed in a facility owned or operated by the District business seeking the tax credit under this section.

"(b) For taxable years beginning on or after January 1, 2009, an employer shall be allowed a credit against the tax imposed by § 47-1806.03 in an amount equal to 10% of the



wages paid by the employer to a qualified veteran during the first 24 calendar months in which the employer employs the qualified veteran. The credit under this section shall not exceed \$5,000 in the aggregate for each qualified veteran who is employed.

“(c) The maximum annual credit allowed under this section shall not exceed the lesser of:

“(1) Ten percent of the wages paid to a qualified veteran during the tax year in which the credit is claimed;

“(2) The total income taxes imposed on the business during the tax year in which the credit is sought; or

“(3) A total of \$2,500 for each qualified veteran.

“(d) The credit under subsection (b) of this section shall not be valid:

“(1) For any wages paid in a calendar month in which the employer has not employed the qualified veteran for at least 90 hours;

“(2) If the employer pays the qualified veteran less than the greater of the legal minimum wage or the wage the employer pays other employees in similar jobs;

“(3) If the employer accords the qualified veteran lesser benefits or rights than the employer accords other employees in similar jobs;

“(4) If the qualified veteran was employed as the result of the displacement, other than for cause, of another employee, or as the result of a strike or lockout, a layoff in which other employees are awaiting recall, or a reduction of the regular wages, benefits, or rights of other employees in similar jobs;

“(5) If the employer does not meet, with respect to the employment of the qualified veteran, all federal and District laws and regulations, including those concerning health,

safety, child labor, work/hour, and equal employment opportunity;

“(6) If the qualified veteran is a member of the board of directors of the business, directly or indirectly owns a majority of its stock, or is related to a member of the board of directors or a majority stockholder as a spouse or as any relative listed in the definition of dependent in section 152 of the Internal Revenue Code of 1986 without regard to source of income; or

“(7) If the qualified veteran moves his or her residence outside the District of Columbia during the 24-month period.”

Section 5(b) of D.C. Law 17-384 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) addition, see § 2(b) of Employment of Returning Veteran's Tax Credit Emergency Act of 2008 (D.C. Act 17-654, January 6, 2009, 56 DCR 933).

**Legislative history of Law 16-97.** — Law 16-97, the “Residential Energy Conservation Tax Credit Illegal Dumping Enforcement Amendment Act of 2005”, was introduced in Council and assigned Bill No. 16-461 which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on January 4, 2006, and February 7, 2006, respectively. Signed by the Mayor on February 27, 2006, it was assigned Act No. 16-292 and transmitted to both Houses of Congress for its review. D.C. Law 16-97 became effective on May 12, 2006.

**Legislative history of Law 16-294.** — For Law 16-294, see notes following § 47-1803.02.

**Editor's notes.** — Section 3 of D.C. Law 16-97 provided that section 2 shall apply as of January 1, 2006.

## *Subchapter VII. Tax on Corporations and Financial Institutions.*

### **§ 47-1807.01. Tax on corporations — Definitions.**

For purposes of this subchapter, the term:

(1) “Corporation” shall, for taxable years beginning after December 31, 1980, include financial institutions.

(2) “Taxable income” means the amount of net income derived from sources within the District within the meaning of §§ 47-1810.01 to 47-1810.03.

(3) “Taxable period” means a taxable year or a portion of a taxable year.

(July 16, 1947, 61 Stat. 345, ch. 258, art. I, title VII, § 1; Sept. 26, 1984, D.C. Law 5-113, § 302(a)(1), 31 DCR 3974; Oct. 1, 1987, D.C. Law 7-29, § 2(g)(1), 34 DCR 5097; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1807.1.

1973 Ed., § 47-1571.

**Legislative history of Law 5-113.** — Law

5-113, the "District of Columbia Revenue Act of 1984," was introduced in Council and assigned Bill No. 5-370, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 26, 1984 and July 10, 1984, respectively. Signed by the Mayor on July 13, 1984, it was assigned Act No. 5-164 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 7-29.** — For legislative history of D.C. Law 7-29, see Historical and Statutory Notes following § 47-1801.01a.

**Editor's notes.** — Mayor authorized to issue rules: See second paragraph of note to § 47-2601.

## § 47-1807.02. Tax on corporations — Levy and rates.

(a) Except as exempted under subchapter II of this chapter, for the privilege of carrying on or engaging in any trade or business within the District and of receiving income from sources within the District, there is levied:

(1) For 1 taxable year beginning after December 31, 1974, a tax at the rate of 12% upon the taxable income of every corporation, whether domestic or foreign;

(2) For the taxable years beginning after December 31, 1975, a tax at the rate of 9% upon the taxable income of every corporation, whether domestic or foreign, except that, effective October 1, 1984, the rate of tax shall be 10% upon the taxable income for any taxable period, except that for taxable years beginning after December 31, 1994, the rate of tax shall be 9.5%;

(3) For the taxable years beginning after December 31, 2002, a tax at the rate of 9.5% upon the taxable income of every corporation, whether domestic or foreign.

(3A) A surtax at the rate of 2.5% on the tax determined under paragraph (2) or (3) of this subsection, as applicable, for any tax period beginning after September 30, 1992.

(3B) A surtax at the rate of 2.5%, separate from and in addition to, the surtax imposed by paragraph (3A) of this subsection, on the tax determined under paragraph (2) or (3) of this subsection, as applicable, for any tax period beginning after September 30, 1994.

(4) For the taxable years beginning after December 31, 2003, a tax at the rate of 9.975% upon the taxable income of every corporation, whether domestic or foreign.

(b) The minimum tax payable under this section shall be \$250. If District gross receipts are greater than \$1 million, the minimum tax payable shall be \$1,000. Corporations or financial institutions including International Banking Facilities shall not be exempt from the minimum tax payable under this section even if the business or source income is exempt under other provisions of this chapter.

(c) The taxes imposed by this section shall, during the 3 tax years beginning after June 30, 1981, be subject to the transition rules provided in § 47-2507.

(July 16, 1947, 61 Stat. 345, ch. 258, art. I, title VII, § 2; Aug. 2, 1968, 82 Stat. 612, Pub. L. 90-450, title II, § 202(a); Oct. 31, 1969, 83 Stat. 178, Pub. L. 91-106, title VI, § 604(a)(1); Dec. 15, 1971, 85 Stat. 653, Pub. L. 92-196, title IV, §§ 401, 403; Oct. 21, 1975, D.C. Law 1-23, title VI, § 603, 22 DCR 2111; July 27, 1976, D.C. Law 1-77, § 2, 23 DCR 1218; Mar. 16, 1978, D.C. Law 2-58,



§ 201, 24 DCR 5765; Sept. 13, 1980, D.C. Law 3-95, § 105(b), 27 DCR 3509; Sept. 17, 1982, D.C. Law 4-150, § 104, 29 DCR 3377; June 22, 1983, D.C. Law 5-14, § 902, 30 DCR 2632; Sept. 26, 1984, D.C. Law 5-113, § 302(a)(1), 31 DCR 3974; Oct. 1, 1987, D.C. Law 7-29, § 2(g)(2), 34 DCR 5097; July 26, 1989, D.C. Law 8-17, § 2(d), 36 DCR 4160; June 14, 1994, D.C. Law 10-128, § 103(c), 41 DCR 2096; Sept. 28, 1994, D.C. Law 10-188, § 301(a)(1), 41 DCR 5333; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Oct. 20, 1999, D.C. Law 13-38, § 2702(i), 46 DCR 6373; Apr. 12, 2000, D.C. Law 13-91, § 168, 47 DCR 520; Oct. 3, 2001, D.C. Law 14-28, § 4102, 48 DCR 6981; Oct. 1, 2002, D.C. Law 14-190, § 802(c), 49 DCR 6968; June 5, 2003, D.C. Law 14-307, § 1002(a), 49 DCR 11664; Sept. 14, 2011, D.C. Law 19-21, § 8072(a), 58 DCR 6226.)

**Cross references.** — Tax rate changes, authority of the Council of the District of Columbia, see § 47-504.

Washington Convention Center Authority, collection and allocation of taxes under this section, see § 10-1203.07.

**Section references.** — This section is referred to in §§ 47-1807.07, 47-1817.06, 47-4215, and 47-4602.

**Prior Codifications.** — 1981 Ed., § 47-1807.2.

1973 Ed., § 47-1571a.

**Effect of amendments.** — D.C. Law 13-38 rewrote subsec. (a)(3) and repealed subsec. (a)(4).

Section 2702(i)(2)(B) of D.C. Law 13-38 provided: "This paragraph shall be effective for tax years beginning after December 31, 2002."

Section 2703(c) of D.C. Law 13-38 provided: "Section 2702(f), (h), (i), and (j) shall apply for tax years beginning after December 31, 1999."

D.C. Law 13-91 amended subsec. (a)(4) by inserting the phrase "and beginning on or before December 31, 2002" after the phrase "beginning on or after October 1, 1994".

D.C. Law 14-28, added subsec. (a)(3A), and rewrote subsec. (a)(4) which had read as follows: "(4) A surtax, separate from and in addition to, the surtax imposed by paragraph (3) of this subsection, on the tax determined under paragraph (2) of this subsection at a rate of 2.5% for any tax period beginning on or after October 1, 1994, and beginning on or before December 31, 2002."

D.C. Law 14-190, in subsec. (a), rewrote pars. (3) and (4).

**Temporary Amendment of Section.** — Section 2(b) of D.C. Law 19-53, in section 8074 of D.C. Law 19-21, substituted "for tax years beginning after December 31, 2010" for "as of December 31, 2010".

Section 15(b) of D.C. Law 19-53 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90-day) amendment of section, see §§ 2702(i)

and 2703(c) of the Service Improvement and Fiscal Year 2000 Budget Support Emergency Act of 1999 (D.C. Act 13-110, July 28, 1999, 46 DCR 6320).

For temporary (90 day) amendment of section, see §§ 3702 to 3704 of Fiscal Year 2002 Budget Support Emergency Act of 2001 (D.C. Act 14-124, August 3, 2001, 48 DCR 7861).

For temporary (90 day) amendment of section, see §§ 1002(a) and 1003 of Fiscal Year 2003 Budget Support Amendment Emergency Act of 2002 (D.C. Act 14-544, December 4, 2002, 49 DCR 11700).

For temporary (90 day) amendment of section, see §§ 1002(a) and 1003 of the Fiscal Year 2003 Budget Support Amendment Congressional Review Emergency Act of 2003 (D.C. Act 15-27, February 24, 2003, 50 DCR 2151).

For temporary (90 day) amendment of section, see § 802(c) of Fiscal Year 2003 Budget Support Emergency Act of 2002 (D.C. Act 14-453, July 23, 2002, 49 DCR 8026).

For temporary (90 day) amendment of section, see §§ 1002(a) and 1003 of Fiscal Year 2003 Budget Support Amendment Second Congressional Review Emergency Act of 2003 (D.C. Act 15-103, June 20, 2003, 50 DCR 5499).

For temporary (90 day) amendment of section 8074 of D.C. Law 19-21, see § 2(b) of Revised Fiscal Year 2012 Budget Support Technical Clarification Emergency Amendment Act of 2011 (D.C. Act 19-157, October 4, 2011, 58 DCR 8688).

**Legislative history of Law 1-23.** — For legislative history of D.C. Law 1-23, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 1-77.** — Law 1-77, the "Corporate and Unincorporated Business Franchise Surtax Act of 1976," was introduced in Council and assigned Bill No. 1-265, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on April 6, 1976 and April 20, 1976, respectively. Signed by the

Mayor on May 18, 1976, it was assigned Act No. 1-120 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 2-58.** — Law 2-58, the “Hotel Occupancy and Surtax on Corporations and Unincorporated Business Tax Act of 1977,” was introduced in Council and assigned Bill No. 2-169, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on September 13, 1977 and October 11, 1977, respectively. Signed by the Mayor on December 30, 1977, it was assigned Act No. 2-127 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 3-95.** — For legislative history of D.C. Law 3-95, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 4-150.** — For legislative history of D.C. Law 4-150, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 5-14.** — Law 5-14, the “District of Columbia Revenue Act of 1983,” was introduced in Council and assigned Bill No. 5-74, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on April 12, 1983 and April 26, 1983, respectively. Signed by the Mayor on May 4, 1983, it was assigned Act No. 5-29 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 5-113.** — For legislative history of D.C. Law 5-113, see Historical and Statutory Notes following § 47-1807.01.

**Legislative history of Law 7-29.** — For legislative history of D.C. Law 7-29, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 8-17.** — For legislative history of D.C. Law 8-17, see Historical and Statutory Notes following § 47-1803.02.

**Legislative history of Law 10-128.** — For legislative history of D.C. Law 10-128, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 10-188.** — For legislative history of D.C. Law 10-188, see Historical and Statutory Notes following § 47-1807.02a.

**Legislative history of Law 13-38.** — For Law 13-38, see notes following § 47-1801.04.

**Legislative history of Law 13-91.** — Law 13-91, the “Technical Amendments Act of 1999,” was introduced in Council and assigned Bill No. 13-435, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 2, 1999, and December 7, 1999, respectively. Signed by the Mayor on December 29, 1999, it was assigned

Act No. 13-234 and transmitted to both Houses of Congress for its review. D.C. Law 13-91 became effective on April 12, 2000.

**Legislative history of Law 14-28.** — Law 14-28, the “Fiscal Year 2002 Budget Support Act of 2001,” was introduced in Council and assigned Bill No. 14-144, which was referred to the Committee Of the Whole. The Bill was adopted on first and second readings on May 1, 2001, and June 5, 2001, respectively. Signed by the Mayor on June 29, 2001, it was assigned Act No. 14-85 and transmitted to both Houses of Congress for its review. D.C. Law 14-28 became effective on October 3, 2001.

**Legislative history of Law 14-190.** — For Law 14-190, see notes following § 47-308.01.

**Legislative history of Law 14-307.** — For Law 14-307, see notes following § 47-903.

**Legislative history of Law 19-21.** — For history of Law 19-21, see notes under § 47-305.02.

**Short title.** — Short title: Section 8071 of D.C. Law 19-21 provided that subtitle H of title VIII of the act may be cited as “Minimum Corporate and Unincorporated Franchise Tax Payable.”

**Delegation of Authority.** — Delegation of authority under Law 5-14, see Mayor’s Order 83-190, July 25, 1983.

**Editor’s notes.** — Sections 8073 and 8074 of D.C. Law 19-21 provided:

“Sec. 8073. Rules.

“The Mayor, pursuant to Title I of the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1204; D.C. Official Code § 2-501 et seq.), may issues rules to implement the provisions of this subtitle.

“Sec. 8074. Applicability.

“This subtitle shall apply as of December 31, 2010.”

Section 4104 of D.C. Law 14-28 provided: “Section 47-1807.02(a)(3A) and (4) are repealed effective for all tax periods beginning after December 31, 2002.”

Section 4103(a) of D.C. Law 14-28 provided: “Section 4102(a) shall apply for any tax period beginning after September 30, 1992.”

Section 4103(b) of D.C. Law 14-28 provides: “Section 4102(b) shall apply for any tax period beginning after September 30, 1994.”

Expiration of §§ 301, 302 and 303 of D.C. Law 10-188: Section 306(a) of D.C. Law 10-188 provided that the act shall expire 2 years after September 28, 1994, if the Board does not submit final financial requirements and a feasibility analysis to the Mayor and the Council as provided by § 10-1202.06(h).

Expiration of §§ 301, 302 and 303 of D.C. Law 10-188: See Historical and Statutory Notes following § 47-1807.02a.

Mayor authorized to issue regulations: Section 401 of D.C. Law 4-150 provided that the



Mayor shall issue regulations necessary to carry out the provisions of the act.

Mayor authorized to issue rules: Section 1102 of D.C. Law 5-14 provided that the Mayor shall issue rules necessary to carry out the provisions of the act.

Audit of accounts and operation of Authority: See Historical and Statutory Notes following § 47-1807.02a.

Expiration of §§ 301, 302 and 303 of D.C. Law 10-188: Section 2(l)(1) of D.C. Law 12-142

provided that § 306(a) of D.C. Law 10-188, providing for the expiration of that act, is repealed. Section 2(l)(2) of D.C. Law 12-142 provided that the subsection shall apply as of February 27, 1997.

Audit of accounts and operation of Authority: See Historical and Statutory Notes following § 47-1807.02a.

Section 1003 of D.C. Law 14-307 provided: "Sec. 1003. Applicability. Section 1002 shall apply as of January 1, 2003."

## CASE NOTES

### ANALYSIS

Corporations engaged in trade or business within District.

Due process.

Foreign corporations.

In general.

Sources of income.

### Corporations engaged in trade or business within District.

Parent Delaware corporation having principal place of business in District of Columbia was not "engaged in business or trade" within the corporate franchise tax statutes solely because parent received interest or dividend payments from subsidiaries having principal places of business in various states. D.C. Code 1961, §§ 47-1571, 47-1571a. State Loan & Finance Corp. v. District of Columbia, 381 F.2d 895, 1967 U.S. App. LEXIS 6145 (C.A.D.C. 1967).

Where corporate officer in charge of District of Columbia office maintained by Ohio corporation reported to home office on pending legislation and Treasury Department regulations and received inquiries about sales of corporation's products in district, and salesmen from other offices of corporation solicited sales in district, and corporation shipped substantial quantities of goods to customers in district, corporation was engaged in commercial activity and was in business in district and had an office and officer in district and hence was subject to District of Columbia business privilege tax. D.C. Code 1951, §§ 47-1551c (h), 47-1571a, 47-1580. Owens-Illinois Glass Co. v. District of Columbia, 204 F.2d 29, 1953 U.S. App. LEXIS 2387 (C.A.D.C. 1953).

### Due process.

The grant by the state of the privilege of doing business therein and the state's consequent authority to tax the privilege do not withdraw from the protection of the due process clause the privilege, not granted by the state, to do business elsewhere. Capital Holding Corp. v.

District of Columbia, 374 A.2d 573, 1977 D.C. App. LEXIS 459 (1977).

### Foreign corporations.

Notwithstanding fact that code section used word "and" in describing the "privilege" which was basis for imposition of local corporate income tax, stating that the tax was levied "for the privilege of carrying on or engaging in any trade or business within the District and of receiving income from sources within the District," section was intended to be read in the disjunctive and, therefore, section covered foreign corporation which was receiving income from a District source even if the foreign corporation was not engaging in business within the District. D.C. Code §§ 47-1571a, 47-1580. Capital Holding Corp. v. District of Columbia, 374 A.2d 573, 1977 D.C. App. LEXIS 459 (1977).

In light of relevant constitutional limitations, District of Columbia statute imposing franchise tax for the privilege of engaging in any trade or business within the District or of receiving income from sources within the District did not authorize the District to assess such franchise tax against entire dividends paid by District of Columbia subsidiary to Kentucky parent corporation where such dividends were the result of doing business in 14 states as well as in the District; the foreign corporation's liability on the income it obtained from its District of Columbia subsidiary could not exceed the amount of net income derived from sources within the District. D.C. Code § 47-1571a. Capital Holding Corp. v. District of Columbia, 374 A.2d 573, 1977 D.C. App. LEXIS 459 (1977).

### In general.

Under statute imposing a tax on net income from District of Columbia sources of foreign and domestic corporations for privilege of carrying on or engaging in trade or business within district and of receiving income from sources within district, and containing provisos, measure of tax is not limited to sales in which title passes in district. D.C. Code 1951, § 47-1551 et seq. Lever Bros. Co. v. District of

Columbia, 204 F.2d 39, 1953 U.S. App. LEXIS 2389 (C.A.D.C. 1953).

**Sources of income.**

"Source" within statutory provisions for imposition of tax at rate of five per cent upon taxable income of every corporation for privilege of carrying on business in District of Columbia and defining taxable income as amount of net income derived from sources within the District means the principal office and business of subsidiary which pays interest and dividends to corporation having principal place of business in the District. D.C. Code 1961, §§ 47-1571, 47-1571a. *State Loan & Finance Corp. v. District of Columbia*, 381 F.2d 895, 1967 U.S. App. LEXIS 6145 (C.A.D.C. 1967).

Dividends paid and interest paid on loans to parent corporation by subsidiaries having principal places of business in various states and not in District of Columbia did not have a "source" in the District, and the interest and dividends thus received by parent were not taxable under the District corporate franchise tax statutes. D.C. Code 1961, §§ 47-1571, 47-1571a. *State Loan & Finance Corp. v. District of Columbia*, 381 F.2d 895, 1967 U.S. App. LEXIS 6145 (C.A.D.C. 1967).

Where parent corporation's entire income consisted of dividends from three subsidiary corporations, all of which (1) were organized under District of Columbia law, (2) had their

principal offices and businesses in District, and (3) were engaged in business therein, parent corporation received its income from "sources" within the District and was therefore subject to income and franchise taxes, and it was immaterial that some of business of subsidiaries was done elsewhere, since court was not concerned with sources of their income but only with sources of parent corporation's income. D.C. Code 1951, §§ 47-1502(b), 47-1504(b), 47-1571a, 47-1580. *Consolidated Title Corp. v. District of Columbia*, 275 F.2d 885, 1960 U.S. App. LEXIS 5299 (C.A.D.C. 1960).

Where taxpayer had a laundry plant in Virginia and many of its customers were located in the District of Columbia and to some customers, taxpayer furnished a supply of its own articles each week for a consideration with pick up and delivery service and the cleaning thereof was done in the plant in Virginia, source of income from the arrangement was the use or rental of the articles with pick up and delivery incidental thereto and in addition the cleaning and laundry, the latter being service and the income fairly attributable to the use or rental of the articles should be allocated to the district, in calculating income tax. D.C. Code 1940, §§ 47-1502(b), 47-1504(a, b), 47-1557a(a), 47-1571, 47-1580 to 47-1580b, 47-1580a. *Industrial Coverall Laundry Corp. v. District of Columbia*, 188 F.2d 669, 1951 U.S. App. LEXIS 3091 (C.A.D.C. 1951).

**§ 47-1807.02a. Tax on corporations — Transfer of surtax to Convention Center Authority. [Repealed].**

Repealed.

(July 16, 1947, 61 Stat. 331, ch. 258, art. I, title VII, § 2a, as added Sept. 28, 1994, D.C. Law 10-188, § 301(a)(2), 41 DCR 5333; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Aug. 12, 1998, D.C. Law 12-142, § 3(a), 45 DCR 4826.)

**Cross references.** — Washington Convention Center Authority, collection and allocation of taxes under this section, see § 10-1203.07.

**Prior Codifications.** — 1981 Ed., § 47-1807.2a.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2(b) of Washington Convention Center Authority Act of 1994 Time Extension Temporary Amendment Act of 1996 (D.C. Law 11-262, April 25, 1997, law notification 44 DCR 2860).

**Emergency legislation.** — For temporary amendment of section, see § 2(b) of the Washington Convention Center Authority Act of 1994 Emergency Amendment Act of 1996 (D.C. Act 11-393, October 1, 1996, 43 DCR 5430).

**Legislative history of Law 10-188.** — Law 10-188, the "Washington Convention Center

Authority Act of 1994," was introduced in Council and assigned Bill No. 10-527, which was referred to the Committee on Economic Development and sequentially to the Committee of the Whole. The Bill was adopted on first and second readings on July 5, 1994, and July 19, 1994, respectively. Signed by the Mayor on August 2, 1994, it was assigned Act No. 10-314 and transmitted to both Houses of Congress for its review. D.C. Law 10-188 became effective on September 28, 1994.

**Legislative history of Law 12-142.** — Law 12-142, the "Washington Convention Center Authority Financing Amendment Act of 1998," was introduced in Council and assigned Bill No. 12-379, which was referred to the Committee on Economic Development and the Committee on Finance and Revenue. The Bill was



adopted on first and second readings on June 2, 1998, and June 16, 1998, respectively. Signed by the Mayor on June 23, 1998, it was assigned Act No. 12-402 and transmitted to both Houses of Congress for its review. The legislation became effective on August 12, 1998, the date that the President of the United States signed P.L. 105-227, which waived the 30-day Congressional review period for this law.

**Editor's notes.** — Expiration of §§ 301, 302 and 303 of D.C. Law 10-188: Section 306(a) of D.C. Law 10-188 provided that the act shall expire 2 years after September 28, 1994, if the Board does not submit final financial requirements and a feasibility analysis to the Mayor and the Council as provided by § 10-1202.06(h).

Expiration of §§ 301, 302 and 303 of D.C. Law 10-188: For temporary amendment of D.C. Law 10-188, § 306(a), see § 2(b) of the Washington Convention Center Authority Act of 1994 Time Extension Emergency Act of 1996 (D.C. Act 11-509).

Audit of accounts and operation of Authority: Section 305(a) of D.C. Law 10-188 provided that "on or before July 1 of each year, the District of Columbia Auditor, pursuant to the Auditor's duties under § 47-117(b) § 1-205.55(b), 2001 Ed., shall audit the accounts

and operation of the Authority and make a specific finding of the sufficiency of the projected revenues from the taxes imposed pursuant to §§ 301, 302, 303, and 304 to meet the projected expenditures and reserve requirements of the Authority for the upcoming fiscal year."

Section 305(b) of D.C. Law 10-188 provided that "if the audit conducted pursuant to subsection (a) of this section indicates that projected revenues from the taxes imposed pursuant to §§ 301, 302, 303, and 304 are insufficient to meet projected expenditures and reserve requirements of the Authority for the upcoming fiscal year, the Mayor shall impose a surtax, to become effective on or before October 1 of the upcoming year, on each of those taxes dedicated to the Authority excluding the tax on sales of restaurant meals and alcoholic beverages, in an amount equal to the pro rata share of the difference between (1) the sum of the projected expenditure and reserve requirements and (2) the projected revenues. The pro rata share shall be determined based on the pro rata estimated contribution of each tax to the total estimated tax revenue for the particular year as contained in the multiyear financial plan submitted pursuant to § 9-807(g) [§ 10-1202.06(g), 2001 Ed.]."

## § 47-1807.03. Tax on corporations — Financial institutions included. [Repealed].

Repealed.

(Sept. 26, 1984, D.C. Law 5-113, § 302(a)(2), 31 DCR 3974.)

**Prior Codifications.** — 1981 Ed., § 47-1807.3.

**Temporary Amendment of Section.** — Section 2(b) of D.C. Law 19-53, in section 8074 of D.C. Law 19-21, substituted "for tax years beginning after December 31, 2010" for "as of December 31, 2010".

Section 15(b) of D.C. Law 19-53 provided that the act shall expire after 225 days of its having taken effect.

**Legislative history of Law 5-113.** — For legislative history of D.C. Law 5-113, see Historical and Statutory Notes following § 47-2601.

## § 47-1807.04. Tax credit to qualified businesses for wages to qualified employees; exceptions.

(a) Except as provided in subsection (b) of this section, for taxable years beginning after December 31, 1988, any incorporated business approved as qualified pursuant to § 6-1504 shall be allowed a credit against the tax imposed by this chapter in an amount equal to 50% of the wages paid by the qualified incorporated business to an employee certified by the Mayor under § 6-1504(c), during the first 24 calendar months in which the employer employed the certified employee.

(b) The credit under subsection (a) of this section shall not be allowed:

(1) To exceed, for any certified employee, a total of \$7,500 in any 1 taxable year;

(2) Until the qualified incorporated business has employed the certified employee for at least 760 hours;

(3) For any calendar month in which the qualified incorporated business has not employed the certified employee for at least 90 hours;

(4) If the qualified incorporated business pays the certified employee less than the greater of the legal minimum wage or the wage the qualified incorporated business pays other employees in similar jobs;

(5) If the qualified incorporated business accords the certified employee lesser benefits or rights than it accords other employees in similar jobs;

(6) If the certified employee was employed as the result of the displacement, other than for cause, of another employee, or as the result of a strike or lockout, or a layoff in which other employees are awaiting recall, or a reduction of the regular wages, benefits, or rights of other employees in similar jobs;

(7) If the qualified incorporated business does not meet, with respect to the employment of the certified employee, all federal and District of Columbia laws and regulations, including those concerning health, safety, child labor, work/hour, and equal employment opportunity; or

(8) If the certified employee is a member of the board of directors of the qualified incorporated business, directly or indirectly owns a majority of its stock, or is related to a member of the board of directors or a majority stockholder as a spouse or domestic partner or as any relative listed in the definition of "dependent" in § 152 of the Internal Revenue Code of 1986 (26 U.S.C. § 152), without regard to source of income.

(c) Whenever a qualified incorporated business is prevented from claiming the credit for wages paid because the certified employee was not employed for the period of time required by subsection (b)(2) and (3) of this section, the credit for wages paid may be claimed against the tax for the immediately succeeding taxable period in which the period of employment satisfies the requirement of subsection (b)(2) of this section.

(d) If the amount of the credit allowable under this section exceeds the tax otherwise due from a qualified incorporated business, the amount of the credit not used as an offset against the tax may be carried forward or back for up to 5 years, except that no portion of the credit shall be:

(1) Carried back to any taxable year ending before January 1, 1990; or

(2) Claimed for any taxable year in which the qualified incorporated business was not located within an economic development zone or did not employ a certified employee.

(July 16, 1947, ch. 258, art. I, title VII, § 3, as added Oct. 20, 1988, D.C. Law 7-177, § 10(b), 35 DCR 6158; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Sept. 12, 2008, D.C. Law 17-231, § 41(j), 55 DCR 6758.)

**Cross references.** — Economic development zones, available incentives, eligibility for corporate franchise tax credits, certified employees, see § 6-1504.

**Section references.** — This section is referred to in § 47-1808.07.

**Prior Codifications.** — 1981 Ed., § 47-1807.4.



**Effect of amendments.** — D.C. Law 17-231, in subsec. (b)(8), substituted “spouse or domestic partner” for “spouse”.

**Legislative history of Law 7-177.** — For legislative history of D.C. Law 7-177, see Historical and Statutory Notes following § 47-1803.03.

**Legislative history of Law 17-231.** — For Law 17-231, see notes following § 47-802.

**Editor’s notes.** — Mayor authorized to issue rules: See Historical and Statutory Notes following § 47-1803.03.

## § 47-1807.05. Reduction of tax credit for insurance premiums; exceptions.

(a) Except as provided in subsection (b) of this section, for taxable years beginning after December 31, 1988, the amount of tax payable under this chapter by an incorporated business approved as qualified under § 6-1504 shall be reduced by a credit equal to 50% of the insurance premiums attributable to a certified employee paid to insure employers against liability for compensation to residents of the District of Columbia under Chapter 15 of Title 32, for each of the first 24 months during which the qualified incorporated business has employed a certified employee.

(b) The credit under subsection (a) of this section shall not be allowed:

(1) Until the qualified incorporated business has employed the certified employee for at least 760 hours;

(2) For any calendar month in which the qualified incorporated business has not employed the certified employee for at least 90 hours;

(3) If the qualified incorporated business pays the certified employee less than the greater of the legal minimum wage or the wage the qualified incorporated business pays other employees in similar jobs;

(4) If the qualified incorporated business accords the certified employee lesser benefits or rights than it accords other employees in similar jobs;

(5) If the certified employee was employed as the result of the displacement, other than for cause, of another employee, or as the result of a strike or lockout, or a layoff in which other employees are awaiting recall, or a reduction of the regular wages, benefits, or rights of other employees in similar jobs;

(6) If the qualified incorporated business does not meet, with respect to the employment of the certified employee, all federal and District of Columbia laws and regulations, including those concerning health, safety, child labor, work/hour, and equal employment opportunity; or

(7) If the certified employee is a member of the board of directors of the qualified incorporated business, directly or indirectly owns a majority of its stock, or is related to a member of the board of directors or a majority stockholder as a spouse or domestic partner or as any relative listed in the definition of “dependent” in § 152 of the Internal Revenue Code of 1986 (26 U.S.C. § 152), without regard to source of income.

(c) If the amount of the credit allowable pursuant to this section exceeds the tax imposed by this chapter otherwise due from a qualified incorporated business, the amount of the credit not used as an offset against the tax may be carried forward or back for up to 5 years, except that no portion of the credit shall be:

(1) Carried back to any taxable year ending before January 1, 1990; or

(2) Claimed for any taxable year in which the qualified incorporated business was not located within an economic development zone or did not employ a certified employee.

(July 16, 1947, ch. 258, art. I, title VII, § 4, as added Oct. 20, 1988, D.C. Law 7-177, § 10(b), 35 DCR 6158; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Sept. 12, 2008, D.C. Law 17-231, § 41(k), 55 DCR 6758.)

**Cross references.** — Economic development zones, eligibility for tax incentives, see § 6-1504.

**Section references.** — This section is referred to in § 47-1808.07.

**Prior Codifications.** — 1981 Ed., § 47-1807.5.

**Effect of amendments.** — D.C. Law 17-231, in subsec. (b)(7), substituted “spouse or domestic partner” for “spouse”.

**Legislative history of Law 7-177.** — For legislative history of D.C. Law 7-177, see Historical and Statutory Notes following § 47-1803.03.

**Legislative history of Law 17-231.** — For Law 17-231, see notes following § 47-802.

**Editor’s notes.** — Mayor authorized to issue rules: See Historical and Statutory Notes following § 47-1803.03.

## § 47-1807.06. Tax credit for income that includes rent charged to licensed, nonprofit child development center; exceptions.

(a) For taxable years beginning after December 31, 1988, any qualified incorporated business under § 6-1504 having taxable income that includes rent charged to a licensed, non-profit child development center shall be allowed a credit against the tax imposed by this chapter in an amount equal to the amount by which the fair market value of the space leased to the licensed, nonprofit child development center exceeds the rent charged by the business to the licensed, non-profit child development center.

(b) For purposes of this section, the term:

(1) “Fair market rental value” means:

(A) The average rent charged by the incorporated business to tenants in the same building, other than the licensed, nonprofit child development center, for comparable space; or

(B) When a licensed, nonprofit child development center is the sole lessee occupying space in the building, or when the building contains no space comparable to that occupied by the licensed, nonprofit child development center, an amount as determined by the Mayor with reference to the average rent charged to tenants for occupancy of comparable space in other buildings in the economic development zone.

(2) “Child development center” means a child development center as that term is defined in § 4-401(2).

(c) If the amount of the credit allowable under this section exceeds the tax otherwise due from a qualified incorporated business, the amount of the credit not used as an offset against the tax may be carried forward or back for up to 5 years, except that no portion of the credit shall be:

(1) Carried back to any taxable year ending before January 1, 1990; or

(2) Claimed for any taxable year in which the qualified incorporated business was not located within an economic development zone or did not employ a certified employee.



(July 16, 1947, ch. 258, art. I, title VII, § 5, as added Oct. 20, 1988, D.C. Law 7-177, § 10(b), 35 DCR 6158; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in §§ 6-1504 and 47-1808.07.

**Prior Codifications.** — 1981 Ed., § 47-1807.6.

**Legislative history of Law 7-177.** — For legislative history of D.C. Law 7-177, see His-

torical and Statutory Notes following § 47-1803.03.

**Editor's notes.** — Mayor authorized to issue rules: See Historical and Statutory Notes following § 47-1803.03.

## § 47-1807.07. Employer-assisted home purchase tax credit.

(a) For the purposes of this section, the term:

(1)(A) "Area median income" means:

(i) For a household of 4 persons, the area median income for a household of 4 persons in the Washington Metropolitan Statistical Area as set forth in the periodic calculation provided by the United States Department of Housing and Urban Development;

(ii) For a household of 3 persons, 90% of the area median income for a household of 4 persons;

(iii) For a household of 2 persons, 80% of the area median income for a household of 4 persons;

(iv) For a household of one person, 70% of the area median income for a household of 4 persons; and

(v) For a household of more than 4 persons, the area median income for a household of 4 persons, increased by 10% of the area median income for a family of 4 persons for each household member exceeding 4 persons (e.g., the area median income for a family of 5 shall be 110% of the area median income for a family of 4; the area median income for a household of 6 shall be 120% of the area median income for a family of 4).

(B) Any percentage of household income referenced in this title (e.g., 80% of household income) shall be determined through a direct mathematical calculation and shall not take into account any adjustments made by the United States Department of Housing and Urban Development for the purposes of the programs it administers.

(2) "Certified employer-assisted home purchase program" means a program:

(A) Through which an employer provides homeownership assistance to its employees;

(B) Which is provided uniformly to the employees of the employer; provided, that the employer may limit eligibility for the program by establishing a maximum income limit and may limit assistance to new homebuyers; and

(C) Which is certified by the Mayor.

(3) "Eligible employee" means an employee who:

(A) Has been employed by the employer for the prior 12 months;

(B) Is not self-employed;

(C) Is not a member of the board of directors of the employer;

(D) Does not own, directly or indirectly, a majority of the stock of the employer; and

(E) Has a household income equal to or less than 120% of the area median income.

(4) Employer“ means a natural person, corporation, partnership, limited liability company, or other entity that:

(A) Is subject to taxation under § 47-1807.02 or § 47-1808.03 or is exempt from taxation under § 47-1802.01; and

(B) Has one or more employees.

(5) “Homeownership assistance” means money provided to an eligible employee by an employer for the down payment or other acquisition costs for the purchase of the principal place of residence of the employee.

(6) “New homebuyer” means an employee (and, if married or in a domestic partnership, the employee’s spouse or domestic partner) who did not own a principal place of residence in the District during the previous 12 months.

(b)(1) For taxable years beginning after December 31, 2002, the amount of tax payable under this subchapter shall be reduced by a credit equal to  $\frac{1}{2}$  of the amount of the homeownership assistance provided by the employer to its eligible employees during the taxable year; provided, that:

(A) The reduction shall not exceed \$2,500 for any one eligible employee who receives homeownership assistance;

(B) The assistance is provided through a certified employer-assisted home purchase program;

(C) The assistance is used for the purchase of a qualified residential real property; and

(D) The eligible employee is a new homebuyer.

(2) If the homeownership assistance consists of providing a loan and then discharging all or a portion of the loan upon completion of a required period of employment, the homeownership assistance shall be treated as provided at the time that the loan, or the portion of the loan, is discharged.

(3) To claim the credit allowed by this subsection, the employer shall attach to its tax return:

(A) A form certifying, for each person for whom the employer is claiming the credit under this section:

(i) The person is an eligible employee of the employer;

(ii) The employer provided homeownership assistance to the eligible employee under a certified employer-assisted home purchase program;

(iii) The amount of homeownership assistance provided to the eligible employee;

(iv) The eligible employee used the homeownership assistance to purchase qualified residential real property;

(v) The household size and household income of the eligible employee;

(vi) The address of the qualified residential real property; and

(vii) The eligible employee intends to reside in the qualified residential real property for at least 5 years; and

(B) A copy of the certification of the employer’s employer-assisted affordable homeownership assistance program under which the homeownership assistance was provided.



(Apr. 19, 2002, D.C. Law 14-114, § 901(b)(2), 49 DCR 1468; Sept. 12, 2008, D.C. Law 17-231, § 41(1), 55 DCR 6758.)

**Effect of amendments.** — D.C. Law 17-231, in subsec. (a)(6), substituted “(and, if married or in a domestic partnership, the employee’s spouse or domestic partner)” for “(and, if married, the employee’s spouse)”.

**Legislative history of Law 14-114.** — For Law 14-114, see notes following § 47-857.01.

**Legislative history of Law 17-231.** — For Law 17-231, see notes following § 47-802.

**Editor’s notes.** — Section 1101 of D.C. Law 14-114 provided: “The Mayor, pursuant to Title I of the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1204; D.C. Official Code § 2-501 et seq.), shall promulgate rules to implement this act.”

## § 47-1807.08. Tax credit for corporations that provide an employee paid leave to serve as an organ or bone marrow donor.

(a) For the purposes of this section, the term “donor” means an individual who makes a gift of an organ, including eyes, or bone marrow.

(b)(1) If in addition to any medical, personal, or other paid leave, including credit for time of service, provided by a corporation, the corporation provides an employee a paid leave of absence to serve as an organ or bone marrow donor, the corporation may claim a nonrefundable credit equal to 25% of the regular salary paid during the taxable year for the leave of absence, not to exceed 30 days for an organ donation and 7 days for a bone marrow donation.

(2) If the corporation elects to claim the credit, an amount equal to the salary or wages upon which the 25% credit is computed shall not be allowed as a deduction.

(3) The credit shall not reduce the minimum tax liability of \$100 [now \$250] under § 47-1807.02(b).

(c) This section shall not apply if the employee is eligible for leave under the Family and Medical Leave Act of 1993, approved February 5, 1993 (107 Stat. 6; 29 U.S.C. § 2601 et seq.).

(d) The Chief Financial Officer or his delegate shall promulgate regulations as may be necessary and appropriate to carry out provisions of this section.

(Mar. 6, 2007, D.C. Law 16-211, § 2(b), 53 DCR 9852; Mar. 25, 2009, D.C. Law 17-353, § 144, 56 DCR 1117.)

**Effect of amendments.** — D.C. Law 17-353 validated a previously made technical correction in subsec. (b)(3).

**Temporary Addition of Section.** — Section 2(c) of D.C. Law 17-384 added a section to read as follows:

“§ 47-1807.09. Tax credit for hiring qualified veterans.

“(a) For the purposes of this section, the term:

“(1) ‘Armed Forces’ shall include any branch of the United States Military, including the Army, Navy, Marines, Air Force, Coast Guard, or any National Guard or reserve deployment lasting 6 continuous months or longer.

“(2) ‘Qualified veteran’ means an individual

subject to the District’s personal income tax who:

“(A) Has previously served in a branch of the Armed Forces and who was honorably or generally discharged;

“(B) Is not currently employed in a facility owned or operated by the District business with an exemption under § 47-4605;

“(C) Is hired to fill a position of indefinite duration consisting of a minimum of 35 hours per week for not less than 48 weeks per year;

“(D) Is hired within 5 years after being discharged from the Armed Forces or within 2 years of a continuous 6-month National Guard deployment;

"(E) Is a District resident at the time of hiring and maintains District residency for the duration of the 2-year tax credit period; and

"(F) Is not currently employed in a facility owned or operated by the District business seeking the tax credit under this section.

"(b) For taxable years beginning on or after January 1, 2009, an employer shall be allowed a credit against the tax imposed by § 47-1807.02 in an amount equal to 10% of the wages paid by the employer to a qualified veteran during the first 24 calendar months in which the employer employs the qualified veteran. The credit under this section shall not exceed \$5,000 in the aggregate for each qualified veteran who is employed.

"(c) The maximum annual credit allowed under this section shall not exceed the lesser of:

"(1) Ten percent of the wages paid to a qualified veteran during the tax year in which the credit is claimed;

"(2) The total income taxes imposed on the business during the tax year in which the credit is sought; or

"(3) A total of \$2,500 for each eligible veteran.

"(d) The credit under subsection (b) of this section shall not be valid:

"(1) For any wages paid in a calendar month in which the employer has not employed the qualified veteran for at least 90 hours;

"(2) If the employer pays the qualified veteran less than the greater of the legal minimum wage or the wage the employer pays other employees in similar jobs;

"(3) If the employer accords the qualified veteran lesser benefits or rights than the employer accords other employees in similar jobs;

"(4) If the qualified veteran was employed as the result of the displacement, other than for cause, of another employee, or as the result of a strike or lockout, a layoff in which other employees are awaiting recall, or a reduction of

the regular wages, benefits, or rights of other employees in similar jobs;

"(5) If the employer does not meet, with respect to the employment of the qualified veteran, all federal and District laws and regulations, including those concerning health, safety, child labor, work/hour, and equal employment opportunity;

"(6) If the qualified veteran is a member of the board of directors of the business, directly or indirectly owns a majority of its stock, or is related to a member of the board of directors or a majority stockholder as a spouse or as any relative listed in the definition of dependent in section 152 of the Internal Revenue Code of 1986 without regard to source of income; or

"(7) If the qualified veteran moves his or her residence outside the District of Columbia during the 24-month period."

Section 5(b) of D.C. Law 17-384 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) addition, see § 2(c) of Employment of Returning Veteran's Tax Credit Emergency Act of 2008 (D.C. Act 17-654, January 6, 2009, 56 DCR 933).

**Legislative history of Law 16-211.** — Law 16-211, the "Organ and Bone Marrow Donor Act of 2006", was introduced in Council and assigned Bill No. 16-701, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on October 3, 2006, and November 14, 2006, respectively. Signed by the Mayor on December 4, 2006, it was assigned Act No. 16-536 and transmitted to both Houses of Congress for its review. D.C. Law 16-211 became effective on March 6, 2007.

**Legislative history of Law 17-353.** — For Law 17-353, see notes following § 47-308.

**Editor's notes.** — Applicability: Section 7080 of D.C. Law 17-219 repealed section 3 of D.C. Law 16-211.

## § 47-1807.09. Job growth tax credit.

A job growth tax credit shall be allowed as provided in subchapter VII-A of this chapter [§ 47-1807.51 et seq.].

(July 27, 2010, D.C. Law 18-202, § 2(b), 57 DCR 4746.)

**Emergency legislation.** — For temporary (90 day) repeal of § 4 of D.C. Law 18-202, see § 715 of Fiscal Year 2011 Supplemental Budget Support Emergency Act of 2010 (D.C. Act 18-694, January 19, 2011, 58 DCR 662).

**Legislative history of Law 18-202.** — Law 18-202, the "Job Growth Incentive Act of 2010", was introduced in Council and assigned Bill No. 18-658, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on April

20, 2010, and May 4, 2010, respectively. Signed by the Mayor on May 21, 2010, it was assigned Act No. 18-414 and transmitted to both Houses of Congress for its review. D.C. Law 18-202 became effective on July 27, 2010.

**Editor's notes.** — Sections 3 and 4 of D.C. Law 18-202 provided:

"Sec. 3. Sunset.

"This act shall expire on January 1, 2030.

"Sec. 4. Applicability.

"This act shall apply upon the inclusion of its



fiscal effect in an approved budget and financial plan.”

Section 715 of D.C. Law 18-370 repealed section 3 of D.C. Law 18-202.

### *Subchapter VII-A. Job Growth Tax Credit.*

## **§ 47-1807.51. Definitions.**

For the purposes of this subchapter, the term:

(1) “Credit certificate” means a statement issued by the Mayor, issued under § 47-1807.55, certifying that a project qualifies for the job growth tax credit and specifying the amount of the job growth tax credit allowed.

(2) “Credit period” means a period of up to 60 consecutive months for which a taxpayer may claim the job growth tax credit that is calculated annually by the Mayor. The credit period shall not extend past December 31, 2020.

(3) “Chief Financial Officer” means the Office of the Chief Financial Officer created by § 1-204.24a.

(4) “FICA taxes” means the taxes imposed by section 3111(a) and (b) of the Internal Revenue Code of 1986.

(5) “Job growth tax credit” means the credit against the franchise taxes imposed by subchapters VII and VIII of this chapter allowed pursuant to this subchapter.

(6) “Mayor” means the Mayor of the District of Columbia

(7) “Net job growth” means the difference between the total number of full-time equivalent employees, who are residents of the District of Columbia, employed by the taxpayer in the District of Columbia for the project at the end of each calendar year of the project and the total number of full-time equivalent employees, who are residents of the District of Columbia, employed by the taxpayer in the District of Columbia for the project at the commencement of the project.

(8) “Project” means any business project that encourages, promotes, and stimulates economic development in key economic sectors and that is approved by the Mayor as specified in § 47-1807.54.

(9) “Taxpayer” means a taxpayer engaged in trade or business.

(July 27, 2010, D.C. Law 18-202, § 2(c), 57 DCR 4746.)

**Emergency legislation.** — For temporary (90 day) repeal of § 4 of D.C. Law 18-202, see § 715 of Fiscal Year 2011 Supplemental Budget Support Emergency Act of 2010 (D.C. Act 18-694, January 19, 2011, 58 DCR 662).

**Legislative history of Law 18-202.** — Law 18-202, the “Job Growth Incentive Act of 2010”, was introduced in Council and assigned Bill No. 18-658, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on April 20, 2010, and May 4, 2010, respectively. Signed by the Mayor on May 21, 2010, it was assigned

Act No. 18-414 and transmitted to both Houses of Congress for its review. D.C. Law 18-202 became effective on July 27, 2010.

**Editor’s notes.** — Sections 3 and 4 of D.C. Law 18-202 provided:

“Sec. 3. Sunset.

“This act shall expire on January 1, 2030.

“Sec. 4. Applicability.

“This act shall apply upon the inclusion of its fiscal effect in an approved budget and financial plan.”

Section 715 of D.C. Law 18-370 repealed section 3 of D.C. Law 18-202.

**§ 47-1807.52. Job growth tax credit.**

For tax years beginning on or after January 1, 2010, but prior to January 1, 2015, upon application by a taxpayer, in the order of priority received and not to exceed the annual amount allocated therefor in the budget and financial plan, the Mayor, in accordance with this subchapter, shall approve, and there may be allowed, to any taxpayer an annual job growth tax credit with respect to the franchise taxes imposed by subchapters VII and VIII of this chapter, for a credit period in an amount determined by the Mayor pursuant to § 47-1807.54.

(July 27, 2010, D.C. Law 18-202, § 2(c), 57 DCR 4746.)

**Legislative history of Law 18-202.** — For Law 18-202, see notes following § 47-1807.51.

**§ 47-1807.53. Job growth tax credit eligibility.**

The Mayor shall approve any job growth tax credits allowed by § 47-1807.52 if, during a credit period, a project shall:

- (1) Bring a net job growth of at least 10 new jobs to the District of Columbia with an average yearly wage of at least 120% of the average yearly wage of residents of the District of Columbia;
- (2) Increase income tax and payroll revenue for the District of Columbia;
- (3) Result in the retention of any new positions proposed by the project for at least one year; and
- (4) Be approved by the Mayor only if the project would not occur but for the job growth tax credit.

(July 27, 2010, D.C. Law 18-202, § 2(c), 57 DCR 4746.)

**Legislative history of Law 18-202.** — For Law 18-202, see notes following § 47-1807.51.

**§ 47-1807.54. Job growth tax credit application, approval, and calculation.**

(a) A taxpayer shall apply for, and the Mayor shall approve, the job growth tax credit as follows:

(1) A taxpayer shall submit a complete written application for a job growth tax credit to the Mayor before the project commences in the District of Columbia. The application shall include:

- (A) A detailed description of the project;
- (B) An identification of the specific jobs that will be created and the anticipated salary range for each job; and
- (C) Documentation to demonstrate that, without the job growth tax credit, the project would not occur in the District of Columbia, which documentation shall include information that indicates:

(i) Receipt of the job growth tax credit is a major factor in the taxpayer's decision; and



(ii) Without the job growth tax credit, the taxpayer is not likely to commence the project in the District of Columbia.

(2) The Mayor shall review each application submitted for a job growth tax credit. Based on the application submitted, the Mayor shall approve the job growth tax credit as provided by § 47-1807.52. The approval shall include the maximum amount of the credit available to the taxpayer for the entire credit period calculated pursuant to subsection (b) of this section and the specific terms that shall be met to qualify for the job growth tax credit.

(b) The job growth tax credit allowed shall be calculated by the Mayor as follows:

(1) For the maximum amount of the job growth tax credit available to the taxpayer for the credit period, the Mayor shall multiply the estimated net job growth for each of the years in the credit period by 50% of the taxpayer's total estimated FICA taxes each year for all new employees of the project who are residents of the District of Columbia.

(2) For the annual amount of the job growth tax credit allowed, the Mayor shall multiply the actual net job growth for that year by 50% of the taxpayer's FICA taxes for the new employees of the project who are residents of the District of Columbia; provided, that a job growth tax credit shall not be allowed, and a credit certificate shall be not be issued, in an amount that exceeds the maximum amount of the approved job growth tax credits as calculated pursuant to paragraph (1) of this subsection.

(3) If the amount of the credit allowed under paragraph (2) of this subsection exceeds the amount of franchise taxes otherwise due on the taxpayer's income in the tax year for which the job growth tax credit is being claimed, the unused amount of the job growth tax credit may be carried forward and used as a credit against subsequent years' franchise tax liability for a period not to exceed 10 years and shall be applied first to the earliest tax years possible. Any credit remaining after this period shall not be refunded or credited to the taxpayer.

(4) A taxpayer who uses a job growth tax credit that is subsequently disallowed shall be liable for the resulting tax deficiency, interest, and penalties as otherwise provided by law.

(July 27, 2010, D.C. Law 18-202, § 2(c), 57 DCR 4746.)

**Legislative history of Law 18-202.** — For Law 18-202, see notes following § 47-1807.51.

## **§ 47-1807.55. Job growth tax credit administration.**

(a) A taxpayer that receives approval for a job growth tax credit shall notify the Mayor promptly if the project is canceled or otherwise becomes ineligible for the job growth tax credit, in which case the approval may be canceled. The approval shall be void if the taxpayer that receives approval does not commence the project within 1½ years after the receipt of the approval or fails to meet the specific terms established by the Mayor under § 47-1807.54(a)(2).

(b)(1) On or before March 1 of the calendar year after the commencement of the project, and each March 1 of any calendar year following a year of the credit

## § 47-1807.56

### TAXATION, LICENSING, PERMITS, ETC.

period, a taxpayer that received approval under § 47-1808.54(a)(2) shall submit an annual request for a credit certificate to the Mayor. The request shall include documents that detail the number of employees hired for the project, the net job growth for the project, all documentation necessary to calculate the job growth tax credit, and any other information requested by the Mayor.

(2) If the project has commenced and the project meets or exceeds the conditions of a project as specified in § 47-1807.53 and the specific terms established by the Mayor under § 47-1807.54(a)(2), the Mayor shall, on an annual basis, certify the project's compliance with § 47-1807.53 and § 47-1807.54(a)(2), calculate the annual amount of the credit allowed as specified in § 47-1807.54(b)(2), and issue a credit certificate for that calendar year in that amount to the taxpayer. The credit certificate shall be submitted by the taxpayer to the Chief Financial Officer with the taxpayer's income tax return for the tax year that includes December 31 of the calendar year for which the credit certificate is issued.

(c) The Chief Financial Officer may audit the accounts of a taxpayer receiving a job growth tax credit up to 12 months following the issuance of any credit certificate.

(d) The Mayor shall transmit an annual report to the Council, including information regarding all approvals granted and credit certificates issued in reference to the job growth tax credit, including the names of the recipients of the credits, the credit amounts claimed, and the total net job growth for each recipient.

(July 27, 2010, D.C. Law 18-202, § 2(c), 57 DCR 4746.)

**Legislative history of Law 18-202.** — For Law 18-202, see notes following § 47-1807.51.

## § 47-1807.56. Rules.

The Mayor, pursuant to Chapter 5 of Title 2, shall issue rules necessary to implement the provisions of this subchapter.

(July 27, 2010, D.C. Law 18-202, § 2(c), 57 DCR 4746.)

**Cross references.** — Economic development zones, eligibility for tax incentives, see § 6-1504.

**Legislative history of Law 18-202.** — For Law 18-202, see notes following § 47-1807.51.

### *Subchapter VIII. Tax on Unincorporated Businesses.*

## § 47-1808.01. Tax on unincorporated businesses — Definition.

For the purposes of this chapter (not alone of this subchapter) and unless otherwise required by the context, the term “unincorporated business” means any trade or business, conducted or engaged in by any individual, whether resident or nonresident, statutory or common-law trust, estate, partnership, or



limited or special partnership, society, association, executor, administrator, receiver, trustee, liquidator, conservator, committee assignee, or by any other entity or fiduciary, other than a trade or business conducted or engaged in by any corporation and include any trade or business which if conducted or engaged in by a corporation would be taxable under subchapter VII of this chapter. The term "unincorporated business" does not include:

(1) A trade or a business which by law, customs, or ethics cannot be incorporated;

(2) A trade, a business, or a profession which can be incorporated only under Chapter 5 of Title 29;

(3) A trade or business in which more than 80% of the gross income is derived from the personal services actually rendered by the individuals or the members of the partnership or other entity in the conducting or the carrying on of a trade or a business and in which capital is not a material income-producing factor;

(4) A trade or a business engaged in by a blind person licensed by the District of Columbia pursuant to An Act To authorize the operation of stands in Federal buildings by blind persons, to enlarge the economic opportunities of the blind, and for other purposes (20 U.S.C. § 107 et seq.); or

(5) A Qualified High Technology Company.

(July 16, 1947, 61 Stat. 345, ch. 258, art. I, title VIII, § 1; Dec. 10, 1971, 85 Stat. 582, Pub. L. 92-180, § 21; Oct. 21, 1975, D.C. Law 1-23, title VI, § 605, 22 DCR 2113; June 11, 1982, D.C. Law 4-118, § 113, 29 DCR 1770; Oct. 8, 1983, D.C. Law 5-32, § 6(a), 30 DCR 4013; Mar. 12, 1986, D.C. Law 6-89, § 2, 33 DCR 304; Oct. 1, 1987, D.C. Law 7-29, § 3(h)(1), 34 DCR 5097; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 3, 2001, D.C. Law 13-256, § 405, 48 DCR 730; July 2, 2011, D.C. Law 18-378, § 3(jj)(1)(C), 58 DCR 1720.)

**Cross references.** — Professional corporations, see § 29-401 et seq.

**Section references.** — This section is referred to in §§ 47-1803.03, 47-1805.02, 47-1806.01, and 47-1806.04.

**Prior Codifications.** — 1981 Ed., § 47-1808.1.

1973 Ed., § 47-1574.

**Effect of amendments.** — D.C. Law 13-256 added par. (5).

D.C. Law 18-378, in par. (2), substituted "Chapter 5" for "Chapter 4".

**Legislative history of Law 1-23.** — For legislative history of D.C. Law 1-23, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 4-118.** — For legislative history of D.C. Law 4-118, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 5-32.** — For legislative history of D.C. Law 5-32, see Historical and Statutory Notes following § 47-1816.03.

**Legislative history of Law 6-89.** — Law 6-89, the "Blind Vendors Tax Relief Amendment Act of 1985," was introduced in Council and assigned Bill No. 6-132, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 19, 1985 and December 3, 1985, respectively. Signed by the Mayor on December 30, 1985, it was assigned Act No. 6-117 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 7-29.** — For legislative history of D.C. Law 7-29, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 13-256.** — For Law 13-256, see notes following § 47-1508.

**Legislative history of Law 18-378.** — For history of Law 18-378, see notes under § 47-1802.01.

**Editor's notes.** — Mayor authorized to issue regulations: Section 9 of D.C. Law 5-32 provided that the Mayor shall issue regulations necessary to carry out the provisions of the act.

## CASE NOTES

## ANALYSIS

Eighty per cent or more of income from personal services.

Evidence.

Unincorporable by law, customs, or ethics.

**Eighty per cent or more of income from personal services.**

Partnership conducting an insurance agency having gross commissions as its sole source of income and having numerous soliciting sub-agents who produced the majority of gross commissions, was not entitled to exemption from franchise tax under clause exempting partnerships from franchise tax where more than 80% of the gross income is derived from personal services actually rendered by partners thereof. D.C. Code 1951, § 47-1574. *District of Columbia v. Jones*, 270 F.2d 939, 1959 U.S. App. LEXIS 3312 (C.A.D.C. 1959).

Under statute levying a tax upon income of unincorporated business if less than 80% of gross income was derived from personal services of members of business and its capital was not a material income-producing factor, income derived by taxpayers, who conducted a brokerage and securities business, from underwriting a portion of an issue of new shares of stock by selling shares at higher market price to customers than price to taxpayers as underwriters, was a profit from purchase and sale of securities by an underwriter and not a commission paid for personal services rendered to customers. D.C. Code 1951, §§ 47-1574, 47-1574b. *Rohrbaugh v. District of Columbia*, 225 F.2d 264, 1955 U.S. App. LEXIS 4210 (C.A.D.C. 1955).

Under statute levying a tax upon income of unincorporated business if less than 80% of gross income was derived from personal services of members of business and its capital was not a material income-producing factor, income from sale of unlisted securities, purchased by taxpayers from a dealer at a discount, constituted a profit on a purchase and sale as a merchant and not a commission for services as an agent in buying securities for customers. D.C. Code 1951, §§ 47-1574, 47-1574b. *Rohrbaugh v. District of Columbia*, 225 F.2d 264, 1955 U.S. App. LEXIS 4210 (C.A.D.C. 1955).

Under statute levying tax upon income of unincorporated business if less than 80% of gross income was derived from personal services of members of business and if capital was not a material income-producing factor, dividends and profits derived by brokerage and securities firm from trading securities registered in firm name constituted material income produced by the firm's capital. D.C. Code 1951,

§§ 47-1574, 47-1574b. *Rohrbaugh v. District of Columbia*, 225 F.2d 264, 1955 U.S. App. LEXIS 4210 (C.A.D.C. 1955).

Under statutes levying a tax upon income of unincorporated businesses if less than 80% of gross income was derived from personal services of members of business and its capital was not a material income-producing factor, the statutory exemption with respect to income from capital did not require that capital not be used in the business but only that it not be a material income-producing factor. D.C. Code 1951, § 47-1574. *Rohrbaugh v. District of Columbia*, 225 F.2d 264, 1955 U.S. App. LEXIS 4210 (C.A.D.C. 1955).

Where total salaries paid to engineering employees, "free lance" draftsmen, and independent engineering firms, ranged between 55 per cent and 40 per cent of gross income of sole proprietor of business engaged in certain branch of field of civil engineering, proprietor was not entitled to exemption from District of Columbia franchise tax on ground that more than 80 per cent of gross income had been derived from personal services actually rendered by proprietor. D.C. Code 1951, § 47-1574. *District of Columbia v. Ghent*, 220 F.2d 210, 1955 U.S. App. LEXIS 3321 (C.A.D.C. 1955).

Under statute which excludes a partnership from franchise tax imposed upon unincorporated business in which more than 80 per cent of the gross income is derived from the personal services actually rendered by the individual members of the partnership, percentage of gross income paid to salaried employees does not control in determining what services are the basis of the income. D.C. Code 1940, § 47-1574. *District of Columbia v. Adair*, 196 F.2d 603, 1952 U.S. App. LEXIS 2501 (C.A.D.C. 1952).

**Evidence.**

Evidence was sufficient to warrant finding of District of Columbia Board of Tax Appeals that more than 80 per cent of gross income was derived from a partner's own personal service, so as to bring partnership within statute excluding from franchise tax on unincorporated business a partnership in which more than 80 per cent of gross income is derived from personal services actually rendered by partners. D.C. Code 1940, § 47-1574. *District of Columbia v. Adair*, 196 F.2d 603, 1952 U.S. App. LEXIS 2501 (C.A.D.C. 1952).

**Unincorporable by law, customs, or ethics.**

A stock-brokerage business conducted by partners is not "business which by law or customs cannot be incorporated" within provision of District of Columbia statute excluding such business from definition of "unincorporated



business" subject to franchise tax imposed thereby, though New York Stock Exchange, constituting partners' principal source of business, bars corporations from membership therein, as neither general incorporation statute of District, specific statutes, nor any body of case law bars such partners' incorporation. D.C. Code 1940, §§ 29-101 et seq., 47-1574b. *Hendrick v. District of Columbia*, 183 F.2d 1002, 1950 U.S. App. LEXIS 3035 (C.A.D.C. 1950).

The District of Columbia Statute, excluding any business, which by law, customs or ethics cannot be incorporated, from definition of "unincorporated business" subject to franchise tax imposed thereby refers to customs in technical sense of those having force of law, such as concepts of law merchant assimilated into present law of commercial transactions. D.C. Code 1940, § 47-1574b. *Hendrick v. District of Columbia*, 183 F.2d 1002, 1950 U.S. App. LEXIS 3035 (C.A.D.C. 1950).

## § 47-1808.02. Tax on unincorporated businesses — Definitions.

For purposes of this subchapter, the term:

(1) "Taxable income" means the amount of net income derived from sources within the District, within the meaning of §§ 47-1810.01 to 47-1810.03, in excess of the exemption granted under § 47-1808.04; provided, that taxable income shall not include the gross income of a qualified community development entity, as defined in section 45D(c)(1) of the Internal Revenue Code of 1986, that has received an allocation or suballocation of new markets tax credits pursuant to section 45D(f) of the Internal Revenue Code of 1986, but only to the extent that the gross income is derived from one or more qualified low-income community investments, as defined in section 45D(d)(1) of the Internal Revenue Code of 1986.

(2) "Taxable period" means a taxable year, or a portion of a taxable year. (July 16, 1947, 61 Stat. 346, ch. 258, art. I, title VIII, § 2; Sept. 26, 1984, D.C. Law 5-113, § 302(b)(1), 31 DCR 3974; Oct. 1, 1987, D.C. Law 7-29, § 2(h)(2), 34 DCR 5097; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Sept. 18, 2007, D.C. Law 17-20, § 1022, 54 DCR 7052.)

**Section references.** — This section is referred to in §§ 47-1803.03, 47-1805.02, 47-1806.01, and 47-1806.04.

**Prior Codifications.** — 1981 Ed., § 47-1808.2.

1973 Ed., § 47-1574a.

**Effect of amendments.** — D.C. Law 17-20, in par. (1), inserted "; provided, that taxable income shall not include the gross income of a qualified community development entity, as defined in section 45D(c)(1) of the Internal Revenue Code of 1986, that has received an allocation or suballocation of new markets tax credits pursuant to section 45D(f) of the Internal Revenue Code of 1986, but only to the extent that the gross income is derived from one or more qualified low-income community investments, as defined in section 45D(d)(1) of the Internal Revenue Code of 1986".

**Emergency legislation.** — For temporary (90 day) amendment of section, see §§ 1022,

1023 of Fiscal Year 2008 Budget Support Emergency Act of 2007 (D.C. Act 17-74, July 25, 2007, 54 DCR 7549).

**Legislative history of Law 5-113.** — For legislative history of D.C. Law 5-113, see Historical and Statutory Notes following § 47-1807.01.

**Legislative history of Law 7-29.** — For legislative history of D.C. Law 7-29, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 17-20.** — For Law 17-20, see notes following § 47-305.02.

**Short title.** — Short title: Section 1021 of D.C. Law 17-20 provided that subtitle C of title I of the act may be cited as the "New Markets Tax Credit Clarification Act of 2007".

**Editor's notes.** — Applicability: Section 1023 of D.C. Law 17-20 provided: "Section 1022 shall apply as of October 1, 2007."

Mayor authorized to issue rules: See second paragraph of note to § 47-2601.

**§ 47-1808.03. Tax on unincorporated businesses — Levy and rates.**

(a) Except as exempted under subchapter II of this chapter, for the privilege of carrying on or engaging in any trade or business within the District and of receiving income from sources within the District, there is levied:

(1) For 1 taxable year beginning after December 31, 1974, a tax at the rate of 12% upon the taxable income of every unincorporated business, whether domestic or foreign;

(2) For the taxable years beginning after December 31, 1975, a tax at the rate of 9% upon the taxable income of every unincorporated business, whether domestic or foreign, except that, effective October 1, 1984, the rate of tax shall be 10% upon the taxable income for any taxable period, except that for taxable years beginning after December 31, 1994, the rate of tax shall be 9.5%;

(3) For the taxable years beginning after December 31, 2002, a tax at the rate of 9.5% upon the taxable income of every unincorporated business, whether domestic or foreign.

(3A)(A) A surtax at the rate of 2.5% on the tax determined under paragraph (2) or (3) of this subsection, as applicable.

(B) Subparagraph (A) of this paragraph shall apply for any tax period beginning after September 30, 1992.

(3B)(A) A surtax at the rate of 2.5%, separate from and in addition to, the surtax imposed by paragraph (3A) of this subsection, on the tax determined under paragraph (2) or (3) of this subsection, as applicable, for any tax period beginning after September 30, 1994.

(B) Subparagraph (A) of the paragraph shall apply for any tax period beginning after September 30, 1994.

(4) For the taxable years beginning after December 31, 2003, a tax at the rate of 9.975% upon the taxable income of every unincorporated business, whether domestic or foreign.

(b) The minimum tax payable under this section shall be \$250. If District gross receipts are greater than \$1 million, the minimum tax payable shall be \$1,000.

(July 16, 1947, 61 Stat. 346, ch. 258, art. I, title VIII, § 3; Aug. 2, 1968, 82 Stat. 612, Pub. L. 90-450, title II, § 202(b); Oct. 31, 1969, 83 Stat. 179, Pub. L. 91-106, title VI, § 604(a)(2); Dec. 15, 1971, 85 Stat. 654, Pub. L. 92-196, title IV, §§ 402, 404; Oct. 21, 1975, D.C. Law 1-23, title VI, § 604, 22 DCR 2112; July 27, 1976, D.C. Law 1-77, § 3, 23 DCR 1219; Mar. 16, 1978, D.C. Law 2-58, § 202, 24 DCR 5765; June 22, 1983, D.C. Law 5-14, § 903, 30 DCR 2632; Sept. 26, 1984, D.C. Law 5-113, § 302(b)(2), 31 DCR 3974; Oct. 1, 1987, D.C. Law 7-29, § 2(h)(3), 34 DCR 5097; July 26, 1989, D.C. Law 8-17, § 2(e), 36 DCR 4160; June 14, 1994, D.C. Law 10-128, § 103(d), 41 DCR 2096; Sept. 28, 1994, D.C. Law 10-188, § 301(b)(1), 41 DCR 5333; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Oct. 20, 1999, D.C. Law 13-38, § 2702(j), 46 DCR 6373; Oct. 1, 2002, D.C. Law 14-190, § 802(d), 49 DCR 6968; June 5, 2003, D.C. Law 14-307, § 1002(b), 49 DCR 11664; Sept. 14, 2011, D.C. Law 19-21, § 8072(b), 58 DCR 6226.)



**Cross references.** — Tax rate changes, authority of the Council of the District of Columbia, see § 47-504.

Washington Convention Center Authority, collection and allocation of taxes under this section, see § 10-1203.07.

**Section references.** — This section is referred to in §§ 47-1803.03, 47-1805.02, 47-1806.01, 47-1806.04, 47-1807.07, 47-1808.04, 47-1808.05, and 47-4215.

**Prior Codifications.** — 1981 Ed., § 47-1808.3.

1973 Ed., § 47-1574b.

**Effect of amendments.** — D.C. Law 13-38 rewrote subsec. (a)(3) and repealed subsec. (a)(4).

Section 2702(j)(2)(B) of D.C. Law 13-38 provided: "This paragraph shall be effective for tax years beginning after December 31, 2002."

Section 2703(c) of D.C. Law 13-38 provided: "Section 2702(f), (h), (i), and (j) shall apply for tax years beginning after December 31, 1999."

D.C. Law 14-190, in subsec. (a), rewrote pars. (3) and (4) which had read as follows:

"(3)(A) For the taxable years beginning after December 31, 2002, a tax at the rate of 9% upon the taxable income of every unincorporated business, whether domestic or foreign, except that for taxable years beginning after December 31, 2003, the rate of tax shall be 8.5%.

"(B) Subparagraph (A) of this paragraph shall not apply if the certification by the Chief Financial Officer required by 47-387.01 demonstrates that the accumulated general fund balance for the immediately preceding fiscal year is less than 5% of the general fund operating budget for the current fiscal year, the nominal GDP growth is less than or equal to 3.5% or the real GDP growth is less than or equal to 1.7%."

"(4) [Repealed]."

D.C. Law 14-307, in subsec. (a), substituted "9.5%" for "9.0%" in par. (3), added pars. (3A) and (3B), and rewrote par. (4)(A) which had read as follows:

"(a)(4)(A) For the taxable years beginning after December 31, 2003, a tax at the rate of 8.5% upon the taxable income of every corporation, whether domestic or foreign."

"(B) Subparagraph (A) of this paragraph shall not apply if:

"(i) The certification by the Chief Financial Officer required by § 47-387.01 demonstrates that the accumulated general fund balance for the immediately preceding fiscal year is less than 5% of the general fund operating budget for the current fiscal year, the nominal GDP growth is less than or equal to 3.5%, or the real GDP growth is less than or equal to 1.7%; or

"(ii) The Mayor demonstrates, and the Chief Financial Officer certifies, that a proposed budget will not be balanced as required by § 1-206.03(c) if the scheduled tax rate decrease

under subparagraph (A) of this paragraph takes effect."

D.C. Law 19-21, in subsec. (b), substituted "shall be \$250. If District gross receipts are greater than \$1 million, the minimum tax payable shall be \$1,000." for "shall be \$100".

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 202(a) of Tax Parity Rates and Unincorporated Business Franchise Tax Rate Clarification Temporary Act of 2002 (D.C. Law 14-163, June 25, 2002, law notification 49 DCR 6499).

**Emergency legislation.** — For temporary (90-day) amendment of section, see §§ 2702(j) and 2703(c) of the Service Improvement and Fiscal Year 2000 Budget Support Emergency Act of 1999 (D.C. Act 13-110, July 28, 1999, 46 DCR 6320).

For temporary (90 day) amendment of section, see §§ 202 and 203 of Tax Parity Rates and Unincorporated Business Franchise Tax Rate Clarification Emergency Act of 2002 (D.C. Act 14-309, March 25, 2002, 49 DCR 3416).

For temporary (90 day) amendment of section, see § 1002(b) and 1003 of Fiscal Year 2003 Budget Support Amendment Emergency Act of 2002 (D.C. Act 14-544, December 4, 2002, 49 DCR 11700).

For temporary (90 day) amendment of section, see §§ 1002(b) and 1003 of the Fiscal Year 2003 Budget Support Amendment Congressional Review Emergency Act of 2003 (D.C. Act 15-27, February 24, 2003, 50 DCR 2151).

For temporary (90 day) amendment of section, see § 802(d) of Fiscal Year 2003 Budget Support Emergency Act of 2002 (D.C. Act 14-453, July 23, 2002, 49 DCR 8026).

For temporary (90 day) amendment of section, see §§ 1002(b) and 1003 of Fiscal Year 2003 Budget Support Amendment Second Congressional Review Emergency Act of 2003 (D.C. Act 15-103, June 20, 2003, 50 DCR 5499).

For temporary (90 day) amendment of section 8074 of D.C. Law 19-21, see § 2(b) of Revised Fiscal Year 2012 Budget Support Technical Clarification Emergency Amendment Act of 2011 (D.C. Act 19-157, October 4, 2011, 58 DCR 8688).

**Legislative history of Law 1-23.** — For legislative history of D.C. Law 1-23, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 1-77.** — For legislative history of D.C. Law 1-77, see Historical and Statutory Notes following § 47-1807.02.

**Legislative history of Law 2-58.** — For legislative history of D.C. Law 2-58, see Historical and Statutory Notes following § 47-1807.02.

**Legislative history of Law 5-14.** — For legislative history of D.C. Law 5-14, see Histor-

ical and Statutory Notes following § 47-1807.02.

**Legislative history of Law 5-113.** — For legislative history of D.C. Law 5-113, see Historical and Statutory Notes following § 47-1807.01.

**Legislative history of Law 7-29.** — For legislative history of D.C. Law 7-29, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 8-17.** — For legislative history of D.C. Law 8-17, see Historical and Statutory Notes following § 47-1803.02.

**Legislative history of Law 10-128.** — For legislative history of D.C. Law 10-128, see Historical and Statutory Notes following § 47-1808.04.

**Legislative history of Law 10-188.** — For legislative history of D.C. Law 10-188, see Historical and Statutory Notes following § 47-1807.02a.

**Legislative history of Law 13-38.** — For Law 13-38, see notes following § 47-1801.04.

**Legislative history of Law 14-190.** — For Law 14-190, see notes following § 47-308.01.

**Legislative history of Law 14-307.** — For Law 14-307, see notes following § 47-903.

**Legislative history of Law 19-21.** — For history of Law 19-21, see notes under § 47-305.02.

**Delegation of Authority.** — Delegation of authority under Law 5-14, see Mayor's Order 83-190, July 25, 1983.

**Editor's notes.** — Expiration of §§ 301, 302 and 303 of D.C. Law 10-188: See Historical and Statutory Notes following § 47-1807.02a.

Mayor authorized to issue rules: Section 1102 of D.C. Law 5-14 provided that the Mayor shall issue rules necessary to carry out the provisions of the act.

Audit of accounts and operation of Authority: See Historical and Statutory Notes following § 47-1807.02a.

Expiration of §§ 301, 302 and 303 of D.C. Law 10-188: Section 2(l)(1) of D.C. Law 12-142 provided that § 306(a) of D.C. Law 10-188, providing for the expiration of that act, is repealed.

Section 1003 of D.C. Law 14-307 provided: "Sec. 1003. Applicability. Section 1002 shall apply as of January 1, 2003."

Sections 8073 and 8074 of D.C. Law 19-21 provided:

"Sec. 8073. Rules.

"The Mayor, pursuant to Title I of the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1204; D.C. Official Code § 2-501 et seq.), may issue rules to implement the provisions of this subtitle.

"Sec. 8074. Applicability.

"This subtitle shall apply as of December 31, 2010."

## CASE NOTES

### In general.

Forward rolling tax deduction for net operating losses was available to "unincorporated business," such as limited partnership, even though the tax statute provided that the deduction was available "in the same manner as allowed under the Internal Revenue Code," and unincorporated businesses were not allowed net operating loss deductions under the federal

scheme; the reference to the Internal Revenue Code merely governed the technical rules of computation, and did not nullify the grant of the deduction to unincorporated businesses. D.C. Code 1981, §§ 47-1803.3(a)(14), 47-1808.1. *School St. Assocs., Ltd. Pshp. v. District of Columbia*, 728 A.2d 575, 1999 D.C. App. LEXIS 37 (1999), reversed by, remanded by 764 A.2d 798, 2001 D.C. App. LEXIS 4 (D.C. 2001).

## § 47-1808.03a. Tax on unincorporated businesses — Transfer of surtax to Convention Center Authority. [Repealed].

Repealed.

(July 16, 1947, 61 Stat. 331, ch. 258, art. I, title VIII, § 3a, as added Sept. 28, 1994, D.C. Law 10-188, § 301(b)(2), 41 DCR 5333; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Aug. 12, 1998, D.C. Law 12-142, § 3(a), 45 DCR 4826.)



**Cross references.** — Washington Convention Center Authority, collection and allocation of taxes under this section, see § 10-1203.07.

**Section references.** — This section is referred to in § 47-1806.01.

**Prior Codifications.** — 1981 Ed., § 47-1808.3a.

**Legislative history of Law 10-188.** — For legislative history of D.C. Law 10-188, see Historical and Statutory Notes following § 47-1807.02a.

**Legislative history of Law 12-142.** — For legislative history of D.C. Law 12-142, see Historical and Statutory Notes following § 47-1807.02a.

**Editor's notes.** — Expiration of §§ 301, 302 and 303 of D.C. Law 10-188: See Historical and Statutory Notes following § 47-1807.02a.

Audit of accounts and operation of Authority: See Historical and Statutory Notes following § 47-1807.02a.

## § 47-1808.04. Tax on unincorporated businesses — Exemption.

Before computing the tax upon the taxable income of an unincorporated business, there shall be deducted therefrom an exemption of \$5,000; except, that where the period covered by a return is less than a year, or where a return shows that an unincorporated business has been carried on for less than 12 months, such exemption shall be prorated on a daily basis; provided, however, that any amount exempt under this section from the tax imposed by § 47-1808.03 shall be reported and included in the gross income of that person or those persons entitled to a share therein in proportion to the share to which each person is entitled, and shall be reported in the return of each such person for his or her taxable year in which is ended the taxable year of the unincorporated business.

(July 16, 1947, 61 Stat. 346, ch. 258, art. I, title VIII, § 4; May 27, 1949, 63 Stat. 132, ch. 146, title IV, § 416; Feb. 3, 1976, D.C. Law 1-44, § 4, 23 DCR 4057; Oct. 8, 1983, D.C. Law 5-32, § 6(b), 30 DCR 4013; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Cross references.** — Economic development zones, eligibility for tax incentives, see § 6-1504.

**Section references.** — This section is referred to in §§ 47-1803.03, 47-1805.02, 47-1806.01, 47-1806.04, and 47-1808.02.

**Prior Codifications.** — 1981 Ed., § 47-1808.4.

1973 Ed., § 47-1574c.

**Legislative history of Law 1-44.** — For legislative history of D.C. Law 1-44, see Historical

and Statutory Notes following § 47-1803.03.

**Legislative history of Law 5-32.** — For legislative history of D.C. Law 5-32, see Historical and Statutory Notes following § 47-1816.03.

**Editor's notes.** — Mayor authorized to issue regulations: Section 9 of D.C. Law 5-32 provided that the Mayor shall issue regulations necessary to carry out the provisions of the act.

## § 47-1808.05. Tax on unincorporated businesses — Persons liable for payment.

The taxes imposed by § 47-1808.03 shall be payable by the person or persons, jointly and severally, conducting the unincorporated business. The taxes imposed under this subchapter may be assessed in the name of the unincorporated business or in the name or names of the person or persons liable for the payment of such taxes, or both.

(July 16, 1947, 61 Stat. 346, ch. 258, art. I, title VIII, § 5; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in §§ 47-1803.03, 47-1805.02, 47-1806.01, and 47-1806.04.

**Prior Codifications.** — 1981 Ed., § 47-1808.5.  
1973 Ed., § 47-1574d.

## § 47-1808.06. Partnerships.

Individuals carrying on any trade or business in partnership in the District, other than an unincorporated business, shall be liable for income tax only in their individual capacities. The tax on all such income shall be assessed against the individual partners under §§ 47-1806.01 to 47-1806.06. There shall be included in computing the net income of each partner his distributive share, whether distributed or not, of the net income of the partnership for the taxable year; or if his net income for such taxable year is computed upon the basis of a period different from that upon the basis of which the net income of the partnership is computed, then his distributive share of the net income of the partnership for any accounting period of the partnership ending within the taxable year upon the basis of which the partner's net income is computed. The term "accounting period" as used in this section refers to the calendar or fiscal year of a partnership.

(July 16, 1947, 61 Stat. 346, ch. 258, art. I, title VIII, § 6; Oct. 1, 1987, D.C. Law 7-29, § 2(h)(4), 34 DCR 5097; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in §§ 47-1803.03, 47-1805.02, 47-1806.01, and 47-1806.04.

**Prior Codifications.** — 1981 Ed., § 47-1808.6.

1973 Ed., § 47-1574e.

**Legislative history of Law 7-29.** — For legislative history of D.C. Law 7-29, see Historical and Statutory Notes following § 47-1801.01a.

### CASE NOTES

#### In general.

Although District of Columbia does not directly tax income of partnerships, such partnerships must file returns, and resident partners are liable for income tax in their individual capacities. D.C. Code 1981, §§ 47-1805.2(7), 47-1808.1, 47-1808.6, 47-1810.1(a)(1). *District of Columbia v. Terris*, 604 A.2d 5, 1992 D.C. App. LEXIS 56 (1992).

Loss incurred by resident partner in given taxable year may properly be deducted from partner's gross income for that year. D.C. Code 1981, §§ 47-1803.3, 47-1804.3, 47-1808.6. *District of Columbia v. Terris*, 604 A.2d 5, 1992 D.C. App. LEXIS 56 (1992).

Partner who changed domicile in middle of year but had neither statutory nor contractual right to accounting on or before date he became nonresident, could not deduct any part of his distributive share of partnership loss ascertained at year's end, despite contention that

partner could have simply dissolved his two person partnership on date he left, thus entitling him to accounting, where statute permitted inclusion of distributive share only for accounting period of partnership that expired within partner's period of residency; later loss at year's end was entirely unreportable for partner's abbreviated taxable year. D.C. Code 1981, §§ 47-1801.4(9), 47-1808.6. *District of Columbia v. Terris*, 604 A.2d 5, 1992 D.C. App. LEXIS 56 (1992).

In order for partner to claim partnership loss deduction on partner's fractional year income tax return for the District of Columbia, the partnership's taxable year, or other formally recognized accounting period during which all partner's distributive shares are commonly computed, must close with or within the partner's fractional tax year. *Ward v. District of Columbia*, 111 WLR 373 (Super. Ct. 1983).



### § 47-1808.06a. Taxation of limited liability companies.

For purposes of District income and franchise taxation, a limited liability company formed under Chapter 8 of Title 29 or a foreign limited liability company registered to do business in the District under Chapter 1 of Title 29 shall be classified as a partnership unless classified otherwise for federal income tax purposes, in which case the limited liability company shall be classified in the same manner as it is classified for federal income tax purposes. For purposes of District income and franchise taxation, a member or an assignee of a member of a limited liability company formed or subject to Title 29 shall be treated as either a resident or nonresident partner unless classified otherwise for federal income tax purposes, in which case the member or assignee of a member shall have the same status as such member or assignee of a member has for federal income tax purposes.

(July 2, 2011, D.C. Law 18-378, § 3(jj)(1)(D), 58 DCR 1720.)

**Legislative history of Law 18-378.** — For history of Law 18-378, see notes under § 47-1802.01.

**Editor's notes.** — Applicability date of D.C.

Law 18-378: Section 5 of D.C. Law 18-378, as amended by section 7082 of D.C. Law 19-21, provided: "Sec. 5. Applicability. This act shall apply as of January 1, 2012."

### § 47-1808.07. Tax credit.

For taxable years beginning after December 31, 1988, the amount of tax payable by an unincorporated business approved as qualified under § 6-1504 shall be reduced by a credit equal to the credits available to qualified incorporated businesses pursuant to §§ 47-1807.04, 47-1807.05, 47-1807.06, and 47-1807.07.

(July 16, 1947, ch. 258, art. I, title VIII, § 7, as added Oct. 20, 1988, D.C. Law 7-177, § 10(c), 35 DCR 6158; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 19, 2002, D.C. Law 14-114, § 901(b)(3), 49 DCR 1468.)

**Section references.** — This section is referred to in §§ 6-1504 and 47-1803.03.

**Prior Codifications.** — 1981 Ed., § 47-1808.7.

**Effect of amendments.** — D.C. Law 14-114 substituted "47-1807.06, and 47-1807.07" for "and 47-1807.06".

**Legislative history of Law 7-177.** — For

legislative history of D.C. Law 7-177, see Historical and Statutory Notes following § 47-1803.03.

**Legislative history of Law 14-114.** — For Law 14-114, see notes following § 47-857.01.

**Editor's notes.** — Mayor authorized to issue rules: See Historical and Statutory Notes following § 47-1803.03.

### § 47-1808.08. Tax credit for unincorporated businesses that provide an employee paid leave to serve as an organ or bone marrow donor.

(a) For the purposes of this section, the term "donor" means an individual who makes a gift of an organ, including eyes, or bone marrow.

(b)(1) If in addition to any medical, personal, or other paid leave, including credit for time of service, provided by an unincorporated business, the unincorporated business provides an employee a paid leave of absence to serve

as an organ or bone marrow donor, the unincorporated business may claim a credit equal to 25% of the regular salary or wages to the employee paid during the taxable year for that leave of absence, not to exceed 30 days for an organ donation and 7 days for a bone marrow donation.

(2) If the unincorporated business elects to claim the credit, an amount equal to the salary or wages upon which the 25% credit is computed shall not be allowed as a deduction.

(3) The credit shall not reduce the minimum tax liability of \$100 [now \$250] under § 47-1808.03(b).

(c) This section shall not apply if the employee is eligible for leave under the Family and Medical Leave Act of 1993, approved February 5, 1993 (107 Stat. 6; 29 U.S.C. § 2601 et seq.).

(d) The Chief Financial Officer or his delegate shall promulgate regulations as may be necessary and appropriate to carry out provisions of this section.

(Mar. 6, 2007, D.C. Law 16-211, § 2(c), 53 DCR 9852; Mar. 25, 2009, D.C. Law 17-353, § 145, 56 DCR 1117.)

**Effect of amendments.** — D.C. Law 17-353 validated a previously made technical correction in subsec. (b)(3).

**Temporary Addition of Section.** — Section 2(d) of D.C. Law 17-384 added a section to read as follows:

“§ 47-1808.09. Tax credit for hiring qualified veterans.

“(a) For the purposes of this section, the term:

“(1) ‘Armed Forces’ shall include any branch of the United States Military, including the Army, Navy, Marines, Air Force, Coast Guard, or any National Guard or reserve deployment lasting 6 continuous months or longer.

“(2) ‘Qualified veteran’ means an individual subject to the District’s personal income tax who:

“(A) Has previously served in a branch of the Armed Forces and who was honorably or generally discharged;

“(B) Is not currently employed in a facility owned or operated by the District business with an exemption under § 47-4605;

“(C) Is hired to fill a position of indefinite duration consisting of a minimum of 35 hours per week for not less than 48 weeks per year;

“(D) Is hired within 5 years after being discharged from the Armed Forces or within 2 years of a continuous 6-month National Guard deployment;

“(E) Is a District resident at the time of hiring and maintains District residency for the duration of the 2-year tax credit period; and

“(F) Is not currently employed in a facility owned or operated by the District business seeking the tax credit under this section.

“(b) For taxable years beginning on or after January 1, 2009, an employer shall be allowed a credit against the tax imposed by § 47-

1808.03 in an amount equal to 10% of the wages paid by the employer to a qualified veteran during the first 24 calendar months in which the employer employs the qualified veteran. The credit under this section shall not exceed \$5,000 in the aggregate for each qualified veteran who is employed.

“(c) The maximum annual credit allowed under this section shall not exceed the lesser of:

“(1) Ten percent of the wages paid to a qualified veteran during the tax year in which the credit is claimed;

“(2) The total income taxes imposed on the business during the tax year in which the credit is sought; or

“(3) A total of \$2,500 for each eligible veteran.

“(d) The credit under subsection (b) of this section shall not be valid:

“(1) For any wages paid in a calendar month in which the employer has not employed the qualified veteran for at least 90 hours;

“(2) If the employer pays the qualified veteran less than the greater of the legal minimum wage or the wage the employer pays other employees in similar jobs;

“(3) If the employer accords the qualified veteran lesser benefits or rights than the employer accords other employees in similar jobs;

“(4) If the qualified veteran was employed as the result of the displacement, other than for cause, of another employee, or as the result of a strike or lockout, a layoff in which other employees are awaiting recall, or a reduction of the regular wages, benefits, or rights of other employees in similar jobs;

“(5) If the employer does not meet, with respect to the employment of the qualified veteran, all federal and District laws and regulations, including those concerning health,



safety, child labor, work/hour, and equal employment opportunity;

“(6) If the qualified veteran is a member of the board of directors of the business, directly or indirectly owns a majority of its stock, or is related to a member of the board of directors or a majority stockholder as a spouse or as any relative listed in the definition of dependent in section 152 of the Internal Revenue Code of 1986 without regard to source of income; or

“(7) If the qualified veteran moves his or her residence outside the District of Columbia during the 24 month period.”

Section 5(b) of D.C. Law 17-384 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) addition, see § 2(d) of Employment of

Returning Veteran's Tax Credit Emergency Act of 2008 (D.C. Act 17-654, January 6, 2009, 56 DCR 933).

**Legislative history of Law 16-211.** — For Law 16-211, see notes following § 47-1807.08.

**Legislative history of Law 17-353.** — For Law 17-353, see notes following § 47-308.

**Editor's notes.** — Applicability: Section 3 of D.C. Law 16-211 provided:

“(a) The Chief Financial Officer shall include the fiscal effect of the legislation in its next revised quarterly revenue estimate.

“(b) Section 2 shall not take effect unless the fiscal effect of the legislation is funded in a revised quarterly revenue estimate of the Chief Financial Officer in an amount sufficient to account for its fiscal effect.”

## § 47-1808.09. Job growth tax credit.

A job growth tax credit shall be allowed as provided in subchapter VII-A of this chapter [§ 47-1807.56 et seq.].

(July 27, 2010, D.C. Law 18-202, § 2(d), 57 DCR 4746.)

**Emergency legislation.** — For temporary (90 day) repeal of § 4 of D.C. Law 18-202, see § 715 of Fiscal Year 2011 Supplemental Budget Support Emergency Act of 2010 (D.C. Act 18-694, January 19, 2011, 58 DCR 662).

**Legislative history of Law 18-202.** — For Law 18-202, see notes following § 47-1807.51.

**Editor's notes.** — Sections 3 and 4 of D.C. Law 18-202 provided:

“Sec. 3. Sunset.

“This act shall expire on January 1, 2030.

“Sec. 4. Applicability.

“This act shall apply upon the inclusion of its fiscal effect in an approved budget and financial plan.”

Section 715 of D.C. Law 18-370 repealed section 3 of D.C. Law 18-202.

## *Subchapter IX. Tax on Estates and Trusts.*

## § 47-1809.01. Tax on estates and trusts — Residency definitions.

For the purposes of this subchapter, estates and trusts are: (1) Resident estates or trusts, or (2) nonresident estates or trusts. If the decedent was at the time of his death domiciled within the District, his estate is a resident estate, and any trust created by his will is a resident trust. If the decedent was not at the time of his death domiciled within the District, his estate is a nonresident estate, and any trust created by his will is a nonresident trust. If the creator of a trust was at the time the trust was created domiciled within the District, or if the trust consists of property of a person domiciled within the District, the trust is a resident trust. If the creator of the trust was not at the time the trust was created domiciled within the District, the trust is a nonresident trust. If the trust resulted from the dissolution of a corporation organized under the laws of the District of Columbia the trust is a resident trust. If the trust resulted from the dissolution of a foreign corporation, the trust is a nonresident trust.

## § 47-1809.02

TAXATION, LICENSING, PERMITS, ETC.

(July 16, 1947, 61 Stat. 346, ch. 258, art. I, title IX, § 1; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-1809.02. 1973 Ed., § 47-1577.

**Prior Codifications.** — 1981 Ed., § 47-1809.1.

### CASE NOTES

#### **In general.**

Trust created by will of District of Columbia domiciliary could be treated as "resident trust," for purposes of taxation, even when trustee, trust assets, and trust beneficiaries were all located in other states; sufficient nexus between District of Columbia and testamentary trust existed, as District of Columbia created legal environment which permitted testamentary trust to come into existence, established

trust when resident's will was probated, and provided access to its courts to all parties with interest, or potential interest, in trust, and District of Columbia courts had continuing supervisory relationship with respect to trust's administration. U.S.C. Const.Amends. 5, 14; D.C. Code 1981, §§ 47-1809.1, 47-1809.3. District of Columbia v. Chase Manhattan Bank, 689 A.2d 539, 1997 D.C. App. LEXIS 11 (1997).

## § 47-1809.02. Tax on estates and trusts — Effect of residence or situs of fiduciary.

The residence or situs of the fiduciary shall not control the classification of estates and trusts as resident or nonresident under the provisions of § 47-1809.01.

(July 16, 1947, 61 Stat. 347, ch. 258, art. I, title IX, § 2; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1809.2. 1973 Ed., § 47-1577a.

## § 47-1809.03. Tax on estates and trusts — Imposition.

The taxes imposed by §§ 47-1806.01 to 47-1806.06 upon residents shall apply to the income of resident estates, and income from any kind of property held in resident trusts, including:

(1) Income accumulated in trust for the benefit of unborn or unascertained person or persons with contingent interests, and income accumulated or held for future distribution under the terms of the will or trust;

(2) Income which is to be distributed currently by the fiduciary to the beneficiaries, and income collected by a guardian of any infant or incompetent person which is to be held or distributed as the court may direct;

(3) Income received by estates of deceased persons during the period of administration or settlement of the estate; and

(4) Income which, in the discretion of the fiduciary, may be either distributed to the beneficiaries or accumulated.

(July 16, 1947, 61 Stat. 347, ch. 258, art. I, title IX, § 3; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)



**Cross references.** — Tax rate changes, authority of the Council of the District of Columbia, see § 47-504.

**Prior Codifications.** — 1981 Ed., § 47-1809.3.  
1973 Ed., § 47-1577b.

### CASE NOTES

**In general.**

Trust created by will of District of Columbia domiciliary could be treated as “resident trust,” for purposes of taxation, even when trustee, trust assets, and trust beneficiaries were all located in other states; sufficient nexus between District of Columbia and testamentary trust existed, as District of Columbia created legal environment which permitted testamentary trust to come into existence, established

trust when resident’s will was probated, and provided access to its courts to all parties with interest, or potential interest, in trust, and District of Columbia courts had continuing supervisory relationship with respect to trust’s administration. U.S.C. Const.Amends. 5, 14; D.C. Code 1981, §§ 47-1809.1, 47-1809.3. *District of Columbia v. Chase Manhattan Bank*, 689 A.2d 539, 1997 D.C. App. LEXIS 11 (1997).

### § 47-1809.04. Tax on estates and trusts — Computation.

The tax shall be computed upon the taxable net income of the estate or trust, and shall be paid by the fiduciary, except as provided in § 47-1809.07 (relating to revocable trusts) and § 47-1809.08 (relating to income for benefit of the grantor).

(July 16, 1947, 61 Stat. 347, ch. 258, art. I, title IX, § 4; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1809.4.

1973 Ed., § 47-1577c.

### § 47-1809.05. Tax on estates and trusts — Net income.

The net income of the estate or trust shall be computed in the same manner and on the same basis as in the case of an individual, except as to the personal exemptions and credits for dependents, and except that:

(1) There shall be allowed as an additional deduction in computing the net income of the estate or trust the amount of the income of the estate or trust for its taxable year which is to be distributed currently by the fiduciary to the beneficiaries, and the amount of the income collected by a guardian of an infant which is to be held or distributed as the court may direct, but the amount so allowed as a deduction shall be included in computing the net income of the beneficiaries whether distributed to them or not. Any amount allowed as a deduction under this paragraph shall not be allowed as a deduction under paragraph (2) of this section in the same or any succeeding taxable year;

(2) In the case of income received by estates of deceased persons during the period of administration or settlement of the estate, and in the case of income which, in the discretion of the fiduciary, may be either distributed to the beneficiary or accumulated, there shall be allowed as an additional deduction in computing the net income of the estate or trust the amount of the income of the estate or trust for its taxable year, which is properly paid or credited during such year to any legatee, heir, or beneficiary, but the amount so allowed as a deduction shall be included in computing the net income of the legatee, heir, or beneficiary;

(3) There shall be allowed as a deduction, in lieu of a charitable contribution, any part of the gross income, without limitation, which, pursuant to the terms of the will or deed creating a trust, is during the taxable year paid or permanently set aside for the purposes and in the manner provided in the governing instrument creating the trust;

(4) There shall be allowed to an estate the same exemption as is allowed residents under the provisions of § 47-1806.02(a); and

(5) There shall be allowed to a trust a credit against net income of \$100.

(July 16, 1947, 61 Stat. 347, ch. 258, art. I, title IX, § 5; May 27, 1949, 63 Stat. 132, ch. 146, title IV, § 415; June 11, 1982, D.C. Law 4-118, § 114, 29 DCR 1770; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-1809.06.

**Prior Codifications.** — 1981 Ed., § 47-1809.5.  
1973 Ed., § 47-1577d.

**Legislative history of Law 4-118.** — For legislative history of D.C. Law 4-118, see Historical and Statutory Notes following § 47-1801.01a.

## § 47-1809.06. Tax on estates and trusts — Beneficiary taxable year.

If the taxable year of a beneficiary is different from that of the estate or trust, the amount which he is required, under § 47-1809.05(1), to include in computing his net income, shall be based upon the income of the estate or trust for any taxable year of the estate or trust ending within his taxable year.

(July 16, 1947, 61 Stat. 348, ch. 258, art. I, title IX, § 6; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1809.6. 1973 Ed., § 47-1577e.

## § 47-1809.07. Tax on estates and trusts — Revocable trusts.

The income of a trust shall be included in computing the net income of the grantor of such trust where at any time the power to revest in the grantor title to any part of the corpus of the trust is vested:

(1) In the grantor, either alone or in conjunction with any person not having a substantial adverse interest in the disposition of such part of the corpus or the income therefrom; or

(2) In any person not having a substantial adverse interest in the disposition of such part of the corpus or the income therefrom.

(July 16, 1947, 61 Stat. 348, ch. 258, art. I, title IX, § 7; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-1809.04. 1973 Ed., § 47-1577f.

**Prior Codifications.** — 1981 Ed., § 47-1809.7.



### § 47-1809.08. Tax on estates and trusts — Income for benefit of grantor.

So much of the income of any trust shall be included in computing the net income of the grantor as:

(1) Is, or in the discretion of the grantor or of any person not having a substantial adverse interest in the disposition of such part of the income may be, held or accumulated for future distribution to the grantor;

(2) May, in the discretion of the grantor or of any person not having a substantial adverse interest in the disposition of such part of the income, be distributed to the grantor; or

(3) Is, or in the discretion of the grantor or of any person not having a substantial adverse interest in the disposition of such part of the income may be, applied to the payment of premiums upon policies of insurance on the life of the grantor (except policies of insurance irrevocably payable for the purposes and in the manner specified in § 47-1803.03(a)(8), relating to the so-called “charitable contribution” deduction).

(July 16, 1947, 61 Stat. 348, ch. 258, art. I, title IX, § 8; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in § 47-1809.04. 1973 Ed., § 47-1577g.

**Prior Codifications.** — 1981 Ed., § 47-1809.8.

### § 47-1809.09. Tax on estates and trusts — “In discretion of grantor” defined.

As used in this subchapter, the term “in the discretion of the grantor” means in the discretion of the grantor either alone or in conjunction with any person not having a substantial adverse interest in the disposition of the part of the income in question.

(July 16, 1947, 61 Stat. 348, ch. 258, art. I, title IX, § 9; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1809.9. 1973 Ed., § 47-1577h.

### § 47-1809.10. Tax on estates and trusts — Employees’ trusts.

(a) *Exempt status.* — A trust forming part of a stock bonus, pension, or profit-sharing plan of an employer for the exclusive benefit of his employees or their beneficiaries shall not be taxable under this chapter and, except as expressly provided in this section, no other provision of this chapter shall apply with respect to such trust or to its beneficiary if such trust meets the requirements for exemption from federal income tax under sections 401, 402, and 501(a) of the Internal Revenue Code of 1986; provided, that to the extent that the trusts have unrelated business income subject to tax under section 511

of the Internal Revenue Code of 1986, the unrelated business income shall be taxed in the same manner and to the same extent as the tax imposed by subchapter VII of this chapter, except as hereinafter in this section expressly provided.

(b) *Distributions.* — The amount actually distributed or made available to any distributee by any such trust shall be taxable to him, in the year in which so distributed or made available, under § 47-1803.02(b)(2) as if it were an annuity the consideration for which is the amount contributed by the employee.

(c) *Nonexempt contributions.* — Contribution to a trust made by an employer during a taxable year of the employer which ends within or with a taxable year of the trust for which the trust is not exempt under subsection (a) of this section shall be included in the gross income of an employee for the taxable year in which the contribution is made to the trust in the case of an employee whose beneficial interest in such contribution is nonforfeitable at the time the contribution is made.

(July 16, 1947, 61 Stat. 348, ch. 258, art. I, title IX, § 10; June 24, 1987, D.C. Law 7-9, § 2(j), 34 DCR 3283; Oct. 1, 1987, D.C. Law 7-29, § 2(i), 34 DCR 5097; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 202(d), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1809.10.

1973 Ed., § 47-1577i.

**Effect of amendments.** — D.C. Law 13-305 rewrote subsec. (a) which had read:

“(a) Exempt status.—A trust forming part of a stock bonus, pension, or profit-sharing plan of an employer for the exclusive benefit of his employees or their beneficiaries shall not be taxable under this chapter and no other provision of this chapter shall apply with respect to such trust or to its beneficiary, except as hereinafter in this section expressly provided, if such trust meets the requirements for exemption from federal income tax under §§ 401, 402, and 501(a) of the Internal Revenue Code of

1986 (§§ 401, 402, and 501(a) of Title 26, United States Code).”

**Legislative history of Law 7-9.** — For legislative history of D.C. Law 7-9, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 7-29.** — For legislative history of D.C. Law 7-29, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Section 203(a) of D.C. Law 13-305 provided: “(a) Section 202(a) through (e) shall apply for all tax years beginning after December 31, 2000.”

## *Subchapter X. Purpose of Chapter and Allocation and Apportionment.*

### § 47-1810.01. Purpose of chapter.

(a) It is the purpose of this chapter to impose:

(1) An income tax upon the entire net income of every resident and every resident estate and trust; and

(2) A franchise tax upon every corporation, financial institution, and unincorporated business for the privilege of carrying on or engaging in any trade or business within the District and of receiving such other income as is derived from sources within the District; provided, however, that, in the case of any corporation, the amount received as dividends from a corporation which



is subject to taxation under this chapter or under Chapter 26 of this title, and, in the case of a corporation not engaged in carrying on any trade or business within the District, interest received by it from a corporation which is subject to taxation under this chapter or under Chapter 26 of this title shall not be considered as income from sources within the District for purposes of this chapter; and in the case of any corporation organized as a bank holding company under the provisions of the Bank Holding Company Act of 1956 and the Bank Holding Company Act Amendments of 1970, the amount received as dividends from a corporation which is subject to taxation under this chapter or under the provisions of § 47-2501, and in the case of any such bank holding company not engaged in carrying on any trade or business within the District, interest received by it from a corporation which is subject to taxation under such sections, shall not be considered as income from sources within the District for purposes of this chapter. Provided further, that income derived from the sale of tangible personal property by a corporation, financial institution, or unincorporated business not carrying on or engaging in trade or business within the District as defined in §§ 47-1801.01 to 47-1801.04 shall not be considered as income from sources within the District for purposes of this chapter, with the exception of income from sale to the United States not excluded from gross income as provided in § 47-1803.02(a)(2)(I); provided, further, that dividends received from subsidiary corporations for whom the taxpayer provides services are deemed to be business income subject to apportionment.

(b) Notwithstanding the provisions of this section, all interest received and all dividends (except dividends of corporations subject to the District of Columbia franchise tax or interest and dividends attributable to any IBF time deposit or IBF loan) received by financial institutions shall be deemed to be business income.

(July 16, 1947, 61 Stat. 349, ch. 258, art. I, title X, § 1; May 3, 1948, 62 Stat. 207, ch. 246, § 2; Apr. 17, 1974, 88 Stat. 85, Pub. L. 93-268, § 1; Sept. 13, 1980, D.C. Law 3-95, § 106(a), 27 DCR 3509; July 24, 1982, D.C. Law 4-131, § 102, 29 DCR 2418; Sept. 17, 1982, D.C. Law 4-150, § 105, 29 DCR 3377; Oct. 8, 1983, D.C. Law 5-32, § 7, 30 DCR 4013; Oct. 1, 1987, D.C. Law 7-29, § 2(j), 34 DCR 5097; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in §§ 47-1803.03, 47-1805.02, 47-1807.01, 47-1808.02, and 47-1810.02.

**Prior Codifications.** — 1981 Ed., § 47-1810.1.

1973 Ed., § 47-1580.

**Legislative history of Law 3-95.** — For legislative history of D.C. Law 3-95, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 4-131.** — For legislative history of D.C. Law 4-131, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 4-150.** — For legislative history of D.C. Law 4-150, see His-

torical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 5-32.** — For legislative history of D.C. Law 5-32, see Historical and Statutory Notes following § 47-1816.03.

**Legislative history of Law 7-29.** — For legislative history of D.C. Law 7-29, see Historical and Statutory Notes following § 47-1801.01a.

**References in text.** — The Bank Holding Company Act of 1956, referred to in the proviso in the first sentence in paragraph (2) of subsection (a) of this section, is 70 Stat. 133, ch. 240, approved May 9, 1956.

The Bank Holding Company Act Amend-

ments of 1970, referred to in the same proviso, is 84 Stat. 1760, Pub. L. 91-607, approved December 31, 1970.

**Editor's notes.** — Mayor authorized to issue

regulations: Section 401 of D.C. Law 4-150 and § 9 of D.C. Law 5-32 provided that the Mayor shall issue regulations necessary to carry out the provisions of these acts.

### CASE NOTES

#### **Other income.**

Phrase "other income" in code section which declares that it is the purpose of the franchise tax subchapter to impose a franchise tax on every corporation for the privilege of carrying on business within the District and of receiving such "other income" as is derived from sources within the District establishes that purpose of second clause was to reach income not derived from the business, if any, carried on by a

corporate taxpayer; therefore, if Kentucky corporation through its local subsidiary was doing business in the District, dividend paid by its subsidiary was the fruit of such operational activity and was not "other income" than that received while engaged in such business. D.C. Code §§ 47-1571a, 47-1580. *Capital Holding Corp. v. District of Columbia*, 374 A.2d 573, 1977 D.C. App. LEXIS 459 (1977).

## **§ 47-1810.02. Allocation and apportionment of District and non-District income.**

(a) *Allocation and apportionment.* — The entire net income of any corporation, financial institution, or unincorporated business, or the unrelated business income of an exempt organization, derived from any trade or business carried on or engaged wholly within the District shall, for the purposes of this chapter, be deemed to be from sources within the District and shall, along with other income from sources within the District, be allocated to the District. If the net income of a corporation, financial institution, or unincorporated business, or the unrelated business income of an exempt organization, is derived from sources within and without the District, the taxpayer shall apportion business income and allocate non-business income as provided in this section.

(b) *Taxation by another state.* — For purposes of allocation and apportionment of income under this section, a taxpayer is taxable in another state if:

(1) In that state the taxpayer is subject to a net income tax, a franchise tax measured by net income, a franchise tax for the privilege of doing business, or a corporate stock tax; or

(2) That state has jurisdiction to subject the taxpayer to a net income tax regardless of whether, in fact, the state does or does not.

(c) *Allocation of nonbusiness income.* —

(1) Rents and royalties from real or tangible personal property, capital gains, interest, dividends, or patent or copyright royalties, to the extent that they constitute non-business income, shall be allocated as provided in paragraphs (2), (3), (4), and (5) of this subsection.

(2)(A) Net rents and royalties from real property located in the District are allocable to the District.

(B) Net rents and royalties from tangible personal property are allocable to the District:

(i) If and to the extent that the property is utilized in the District; or

(ii) In their entirety if the taxpayer's commercial domicile is in the District and the taxpayer is not organized under the laws of or taxable in the state in which the property is utilized.



(C) The extent of utilization of tangible personal property in a state is determined by multiplying the rents and royalties by a fraction, the numerator of which is the number of days of physical location of the property in the state during the rental or royalty period in the taxable year and the denominator of which is the number of days of physical location of the property everywhere during all rental or royalty periods in the taxable year. If the physical location of the property during the rental or royalty period is unknown or unascertainable by the taxpayer, the tangible personal property is utilized in the state in which the property was located at the time the rental or royalty payer obtained possession.

(3)(A) Capital gains and losses from sales of real property located in the District are allocable to the District.

(B) Capital gains and losses from sales of tangible personal property are allocable to the District if:

(i) The property had a situs in the District at the time of the sale; or

(ii) The taxpayer's commercial domicile is in the District and the taxpayer is not taxable in the state in which the property had a situs.

(C) Capital gains and losses from the sales of intangible personal property are allocable to the District if the taxpayer's commercial domicile is in the District.

(4) Interest and dividends from District sources are allocable to the District unless the interest and dividends are excluded under § 47-1810.01.

(5)(A) Patent and copyright royalties are allocable to the District:

(i) If and to the extent that the patent or copyright is utilized by the payer in the District; or

(ii) If and to the extent that the patent or copyright is utilized by the taxpayer in a state in which the taxpayer is not taxable and the taxpayer's commercial domicile is in the District.

(B) A patent is utilized in a state to the extent that it is employed in production, fabrication, manufacturing, or other processing in the state to the extent that a patented product is produced in the state. If the basis of receipts from patent royalties does not permit allocation to states or if the accounting procedures do not reflect states of utilization, the patent is utilized in the state in which the taxpayer's commercial domicile is located.

(C) A copyright is utilized in a state to the extent that printing or other publication originates in the state. If the basis of receipts from copyright royalties does not permit allocation to states or if the accounting procedures do not reflect states of utilization, the copyright is utilized in the state in which the taxpayer's commercial domicile is located.

(d) *Apportionment of business income.* — Except as provided in subsection (d-1), all business income shall be apportioned to the District by multiplying the income by a fraction, the numerator of which is the property factor plus the payroll factor plus the sales factor, and the denominator of which is 3.

(d-1) *Apportionment of business income.* —

(1) All business income shall be apportioned to the District by multiplying the income by a fraction, the numerator of which is the property factor plus the payroll factor plus the sales factor twice, and the denominator of which is 4.

(2) This subsection shall be applicable for the tax years beginning after December 31, 2010.

(e) *Property factor.* —

(1) The property factor is a fraction, the numerator of which is the average value of the taxpayer's real and tangible personal property owned or rented and used in the District during the tax period and the denominator of which is the average value of all the taxpayer's real and tangible personal property owned or rented and used during the tax period.

(2) Property owned by the taxpayer is valued at its original cost. Property rented by the taxpayer is valued at 8 times the net annual rental rate. Net annual rental rate is the annual rental rate paid by the taxpayer less any annual rental rate received by the taxpayer from sub-rentals.

(3) The average value of property shall be determined by averaging the values at the beginning and ending of the tax period, but the Mayor may require the averaging of monthly values during the tax period if reasonably required to reflect properly the average value of the taxpayer's property.

(f) *Payroll factor.* —

(1) The payroll factor is a fraction, the numerator of which is the total amount paid in the District during the tax period by the taxpayer for compensation, and the denominator of which is the total compensation paid everywhere during the tax period.

(2) Compensation is paid in the District if:

(A) The individual's service is performed entirely within the District;

(B) The individual's service is performed both within and without the District, but the service performed without the District is incidental to the individual's service within the District; or

(C) Some of the service is performed in the District and:

(i) The base of operations or, if there is no base of operations, the place from which the service is directed or controlled is in the District; or

(ii) The base of operations or the place from which the service is directed or controlled is not in any state in which some part of the service is performed, but the individual's residence is in the District.

(g) *Sales factor.* —

(1) The sales factor is a fraction, the numerator of which is the total sales of the taxpayer in the District during the tax period, and the denominator of which is the total sales of the taxpayer everywhere during the tax period.

(2) Sales of tangible personal property are in the District if:

(A) The property is delivered or shipped to a purchaser within the District regardless of the f.o.b. point or other conditions of the sale; or

(B) The property is shipped from an office, store, warehouse, factory, or other place of storage in the District and (i) the purchaser is the United States government, or (ii) the taxpayer is not taxable in the state of the purchaser.

(3) Sales, other than sales of tangible personal property, are in the District if:

(A) The income-producing activity is performed in the District; or

(B) The income-producing activity is performed both in and outside the District and a greater proportion of the income-producing activity is performed in the District than in any other state, based on costs of performance.



(h) *Alternative methods.* — If the allocation and apportionment provisions of this section do not fairly represent the extent of the taxpayer's business activity in the District, the taxpayer may petition for or the Mayor may require, in respect to all or any part of the taxpayer's business activity, if reasonable:

- (1) Separate accounting;
- (2) The exclusion of any 1 or more of the factors;
- (3) The inclusion of 1 or more additional factors that will fairly represent the taxpayer's business activity in the District; or
- (4) The employment of any other method to effectuate an equitable allocation and apportionment of the taxpayer's income.

(i) *Definitions.* — For the purposes of this section, the term:

- (1) "State" shall include the District of Columbia.
- (2) "Business income" means all income which is apportionable under the Constitution of the United States.

(j) *Construction.* — This section shall be so construed as to effectuate its general purpose to make uniform the law of those states that enact it.

(July 16, 1947, 61 Stat. 349, ch. 258, art. I, title X, § 2; Mar. 6, 1979, D.C. Law 2-158, § 4, 25 DCR 7002; Sept. 13, 1980, D.C. Law 3-95, § 106(b), 27 DCR 3509; July 24, 1982, D.C. Law 4-131, §§ 103, 108(a), (b), 29 DCR 2418; Feb. 28, 1987, D.C. Law 6-207, § 3, 34 DCR 677; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 202(e), 48 DCR 334; Dec. 7, 2004, D.C. Law 15-205, § 1062(b), 51 DCR 8441; Sept. 14, 2011, D.C. Law 19-21, § 8022, 58 DCR 6226.)

**Section references.** — This section is referred to in §§ 47-1803.03, 47-1805.02, 47-1807.01, and 47-1808.02.

**Prior Codifications.** — 1981 Ed., § 47-1810.2.

1973 Ed., § 47-1580a.

**Effect of amendments.** — D.C. Law 13-305 rewrote subsec. (a) which had read:

"(a) Allocation and apportionment.—The entire net income of any corporation, financial institution, or unincorporated business derived from any trade or business carried on or engaged in wholly within the District shall, for the purposes of this chapter, be deemed to be from sources within the District and shall, along with other income from sources within the District, be allocated to the District. When the net income of a corporation, financial institution, or unincorporated business is derived from sources within and without the District, the taxpayer shall apportion business income and allocate nonbusiness income as provided in this section."

D.C. Law 15-205 rewrote subsec. (i) which had read as follows: "(i) Definition.—For purposes of this section, the term 'state' shall include the District of Columbia."

D.C. Law 19-21, in subsec. (d), substituted "Except as provided in subsection (d-1), all

business" for "All business"; and added subsec. (d-1).

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 1062(b) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) amendment of section, see § 1062(b) of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

For temporary (90 day) addition, see § 7231 of Fiscal Year 2010 Budget Support Second Emergency Act of 2009 (D.C. Act 18-207, October 15, 2009, 56 DCR 8234).

For temporary (90 day) amendment of section, see § 7231 of Fiscal Year Budget Support Congressional Review Emergency Amendment Act of 2009 (D.C. Act 18-260, January 4, 2010, 57 DCR 345).

**Legislative history of Law 2-158.** — For legislative history of D.C. Law 2-158, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 3-95.** — For legislative history of D.C. Law 3-95, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 4-131.** — For legislative history of D.C. Law 4-131, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 6-207.** — Law 6-207, the “D.C. Income and Franchise, and Sales Taxes Amendment Act of 1986,” was introduced in Council and assigned Bill No. 6-95, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 25, 1986 and December 16, 1986, respectively. Signed by the Mayor on January 8, 1987, it was assigned Act No. 6-267 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-903.

**Legislative history of Law 19-21.** — For history of Law 19-21, see notes under § 47-305.02.

**Short title.** — Short title: Section 8021 of

D.C. Law 19-21 provided that subtitle C of title VIII of the act may be cited as “Apportionment of Business Income Act of 2011”.

**Short title:** Section 7230 of D.C. Law 18-111 provided that subtitle U of title VII of the act may be cited as the “Combined Reporting Reform Authorization Act of 2009”.

**Editor’s notes.** — Section 7231 of D.C. Law 18-111 provided: “Sec. 7231. Implementation of combined reporting reform. The Council shall pass legislation to require, for tax years beginning after December 31, 2010, that all corporations taxable in the District of Columbia shall determine the income apportionable or allocable to the District of Columbia by reference to the income and apportionment factors of all commonly controlled corporations organized within the United States with which they are engaged in a unitary business.”

Section 203(a) of D.C. Law 13-305 provided: “(a) Section 202(a) through (e) shall apply for all tax years beginning after December 31, 2000.”

## CASE NOTES

### ANALYSIS

In general.  
Sources of income.

### In general.

Circulation test is not exclusive apportionment formula, for District of Columbia income tax purposes, as to all types of publications carried on partly within and partly outside the District. D.C. Code 1961, § 47-1580a. *Broadcasting Publications, Inc. v. District of Columbia*, 313 F.2d 554, 1962 U.S. App. LEXIS 3568 (C.A.D.C. 1962).

Entire income of trade magazine printed and published in District of Columbia by taxpayer whose subscribers and advertisers were almost entirely outside the District, was subject to tax in District, where greater part of total business activity, including mailing of magazines to subscribers, was carried on within District, and there was no continuous physical contact outside District except for news gathering and solicitation of advertisers. D.C. Code 1961, § 47-1580a. *Broadcasting Publications, Inc. v. District of Columbia*, 313 F.2d 554, 1962 U.S. App. LEXIS 3568 (C.A.D.C. 1962).

The circulation and advertising revenue of District of Columbia newspaper which engaged in activities both within and without the District would not be separated for apportionment purposes, as respects District of Columbia franchise tax, and both were operating revenues, and “operating net income” from advertising and circulation must be apportioned between District and non-District sources. D.C. Code 1951, §§ 47-1580, 47-1580a. *District of Colum-*

*bia v. Evening Star Newspaper Co.*, 273 F.2d 95, 1959 U.S. App. LEXIS 2919 (C.A.D.C. 1959).

Where petitioner, which was engaged in business of buying and selling wastepaper in District of Columbia and in Chicago, did not prepare its return on basis of a separate accounting, return, which purported to show no net income on district business could not be said to reflect absence of net income fairly attributable to that business, and computation of petitioner’s franchise tax was not required to be made on basis of separate accounting and could be made by apportioning to district that portion of income which percentage of district sales bore to total sales. D.C. Code 1951, §§ 47-1571a, 47-1580, 47-1580a. *Thomas Paper Stock Co. v. District of Columbia*, 255 F.2d 180, 1958 U.S. App. LEXIS 4178 (C.A.D.C. 1958).

The District’s decision to tax the income of an apartment complex located within the District and operated by a corporation which also operated a separate apartment complex outside the District by applying the 3-factor formula to both complexes as a unitary business was improper and effectively burdened interstate commerce in violation of the commerce clause. *McLean Gardens Corp. v. District of Columbia*, 111 WLR 785 (Super. Ct. 1983).

### Sources of income.

A District of Columbia newspaper’s net income was derived from sources both within and without the District, for District franchise tax purposes, where substantial number of newspapers was sold outside District. D.C. Code 1951, § 47-1580 et seq. *District of Columbia v.*



Evening Star Newspaper Co., 273 F.2d 95, 1959 U.S. App. LEXIS 2919 (C.A.D.C. 1959).

Rents and royalties from non-operating activities were from District of Columbia sources and should be specifically allocated to the District in computing District franchise tax on newspaper which engaged in activities both within and without the District, and this net income should be calculated by subtracting from the gross income attributable to these sources the expenses incurred in their receipt and this net income figure would be "non-operating net income". D.C. Code 1951, §§ 47-1580, 47-1580a. *District of Columbia v. Evening Star Newspaper Co.*, 273 F.2d 95, 1959 U.S. App. LEXIS 2919 (C.A.D.C. 1959).

In determining whether taxpayer is carrying on a trade or business solely within District of Columbia for District franchise tax purposes, passage of title is useful as a gauge but is not solely determinative of source of income. D.C. Code 1951, § 47-1580 et seq. *District of Colum-*

*bia v. Evening Star Newspaper Co.*, 273 F.2d 95, 1959 U.S. App. LEXIS 2919 (C.A.D.C. 1959).

Where taxpayer had a laundry plant in Virginia and many of its customers were located in the District of Columbia and to some customers, taxpayer furnished a supply of its own articles each week for a consideration with pick up and delivery service and the cleaning thereof was done in the plant in Virginia, source of income from the arrangement was the use or rental of the articles with pick up and delivery incidental thereto and in addition the cleaning and laundry, the latter being service and the income fairly attributable to the use or rental of the articles should be allocated to the district, in calculating income tax. D.C. Code 1940, §§ 47-1502(b), 47-1504(a, b), 47-1557a(a), 47-1571, 47-1580 to 47-1580b, 47-1580a. *Industrial Coverall Laundry Corp. v. District of Columbia*, 188 F.2d 669, 1951 U.S. App. LEXIS 3091 (C.A.D.C. 1951).

### § 47-1810.03. Distribution, apportionment, or allocation of income or deductions between or among organizations, trades, or businesses.

In any of 2 or more organizations, trades, or businesses (whether or not incorporated, whether or not organized in the District, and whether or not affiliated) owned or controlled directly or indirectly by the same interests, the Mayor is authorized to distribute, apportion, or allocate gross income or deductions between or among such organizations, trades, or businesses, whenever in his opinion such distribution, apportionment, or allocation is necessary in order to prevent evasion of taxes or clearly to reflect the income of any of such organizations, trades, or businesses. The provisions of this section shall apply, but shall not be limited in application, to any case of a common carrier by railroad subject to the Interstate Commerce Act and jointly owned or controlled directly or indirectly by 2 or more common carriers by railroad subject to said Act.

(July 16, 1947, 61 Stat. 349, ch. 258, art. I, title X, § 3; Mar. 6, 1979, D.C. Law 2-158, § 4, 25 DCR 7002; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Section references.** — This section is referred to in §§ 47-1803.03, 47-1805.02, 47-1807.01, and 47-1808.02.

**Prior Codifications.** — 1981 Ed., § 47-1810.3.

1973 Ed., § 47-1580b.

**Legislative history of Law 2-158.** — For legislative history of D.C. Law 2-158, see Historical and Statutory Notes following § 47-1801.04.

**References in text.** — The Interstate Commerce Act, referred to in the second sentence in this section, is 24 Stat. 379, ch. 104, approved February 4, 1887, which was repealed by 92 Stat. 1337, Pub. L. 95-473, approved October 17, 1978. This latter Act also enacted the Revised Interstate Commerce Act, which is classified to 49 U.S.C. § 10102 et seq.

**§ 47-1810.04. Determination of taxable income or loss using combined report; components of income subject to tax in the District, application of tax credits and post-apportionment deductions; determination of taxpayer's share of the business income of a combine group apportionable to the District.**

(a) The use of a combined report does not disregard the separate identities of the taxpayer members of the combined group. Each taxpayer member is responsible for tax based on its taxable income or loss apportioned or allocated to the District, which shall include, in addition to other types of income, the taxpayer member's apportioned share of business income of the combined group, where business income of the combined group is calculated as a summation of the individual net business incomes of all members of the combined group. A member's net business income is determined by removing all but business income, expense, and loss from that member's total income, as provided in this section and § 47-1810.05.

(b)(1) Each taxpayer member is responsible for tax based on its taxable income or loss apportioned or allocated to the District, which shall include its:

(A) Share of any business income apportionable to the District of each of the combined groups of which it is a member, as determined under subsection (c) of this section;

(B) Share of any business income apportionable to the District of a distinct business activity conducted within and outside the District wholly by the taxpayer member, as determined under the provisions for apportionment of business income set forth in this chapter;

(C) Income from a business conducted wholly by the taxpayer member entirely within the District;

(D) Income sourced to the District from the sale or exchange of capital or assets, and from involuntary conversions, as determined under § 47-1810.05(b)(8);

(E) Nonbusiness income or loss allocable to the District as determined under the provisions for allocation of nonbusiness income set forth in this chapter;

(F) Income or loss allocated or apportioned in an earlier year required to be taken into account as District source income during the income year, other than a net operating loss; and

(G) Net operating loss carryover.

(2) If the taxable income computed pursuant to this section and § 47-1810.05 results in a loss for a taxpayer member of the combined group, that taxpayer member has a District net operating loss, subject to the net operating loss limitations and carryover provisions of this chapter. The District net operating loss shall be applied as a deduction in a prior or subsequent year only if that taxpayer has District source positive net income, whether or not the taxpayer is or was a member of a combined reporting group in the prior or subsequent year.



(3) Except where otherwise provided, no tax credit or post-apportionment deduction earned by one member of the group, but not fully used by or allowed to that member, may be used, in whole or in part, by another member of the group or applied, in whole or in part, against the total income of the combined group. A post-apportionment deduction carried over into a subsequent year as to the member that incurred it, and available as a deduction to that member in a subsequent year, will be considered in the computation of the income of that member in the subsequent year regardless of the composition of that income as apportioned, allocated, or wholly within the District.

(c)(1) The taxpayer's share of the business income apportionable to the District of each combined group of which it is a member shall be the product of the:

(A) Business income of the combined group, determined under § 47-1810.05; and

(B) Taxpayer member's apportionment percentage, determined in accordance with this chapter, including in the property, payroll, and sales factor numerators of the taxpayer's property, payroll, and sales, respectively, associated with the combined group's unitary business in the District and including in the denominator the property, payroll, and sales of all members of the combined group, including the taxpayer, which property, payroll, and sales are associated with the combined group's unitary business wherever located.

(2) The property, payroll, and sales of a partnership shall be included in the determination of the partner's apportionment percentage in proportion to a ratio the numerator of which is the amount of the partner's distributive share of partnership's unitary income included in the income of the combined group in accordance with § 47-1810.05 and the denominator of which is the amount of the partnership's total unitary income.

(Sept. 14, 2011, D.C. Law 19-21, § 8002(d), 58 DCR 6226.)

**Legislative history of Law 19-21.** — For history of Law 19-21, see notes under § 47-305.02.

19-21 provided: "Sec. 8004. Applicability. This subtitle shall apply for taxable years beginning after December 31, 2010."

**Editor's notes.** — Section 8004 of D.C. Law

## **§ 47-1810.05. Determination of the business income of the combined group.**

(a) The business income of a combined group is determined as follows:

(1) From the total income of the combined group as determined under paragraph (2) of this subsection and subsection (b) of this section, subtract any income and add any expense or loss, other than the business income, expense, or loss of the combined group.

(2) Except as otherwise provided, the total income of the combined group is the sum of the income of each member of the combined group determined under federal income tax laws, as adjusted for District purposes, as if the member were not consolidated for federal purposes.

(3) Notwithstanding any other provision of this chapter, if the combined group includes or owns an unincorporated business that would be subject to

the tax imposed under § 47-1808.03, the income or loss of such unincorporated business shall be apportioned to the District using apportionment factors of the unincorporated business, and the combined group member's distributive share of such post-apportionment income shall be added to the combined group member's District taxable income, which shall be computed without regard to any income or loss or apportionment factors of an unincorporated business subject to this section. A combined group member's distributive share of an unincorporated business's pre-apportionment income or loss shall be exempt from the tax imposed under § 47-1808.03.

(b) The income of each member of the combined group shall be determined:

(1) For any member incorporated in the United States, or included in a consolidated federal corporate income tax return, the income to be included in the total income of the combined group shall be the taxable income for the corporation after making appropriate adjustments under this chapter.

(2) For any member not included in paragraph (1) of this subsection, the income to be included in the total income of the combined group shall be determined:

(A) A profit and loss statement shall be prepared for each foreign branch or corporation in the currency in which the books of account of the branch or corporation are regularly maintained.

(B) Adjustments shall be made to the profit and loss statement to conform it to the accounting principles generally accepted in the United States for the preparation of such statements, except as modified by regulation.

(C) Adjustments shall be made to the profit and loss statement to conform it to the tax accounting standards required by this chapter.

(D) Except as otherwise provided by regulation, the profit and loss statement of each member of the combined group, and the apportionment factors related thereto, whether United States or foreign, shall be translated into the currency in which the parent company maintains its books and records.

(E) Income apportioned to the District shall be expressed in United States dollars.

(3)(A) In lieu of the procedures set forth in paragraph (2) of this subsection, and subject to the determination of the Mayor that it reasonably approximates income as determined under this chapter, any member not subject to paragraph (1) of this subsection may determine its income on the basis of the consolidated profit and loss statement that includes the member and that is prepared for filing with the Securities and Exchange Commission by related corporations.

(B) If the member is not required to file with the Securities and Exchange Commission, the Mayor may allow the use of the consolidated profit and loss statement prepared for reporting to shareholders and subject to review by an independent auditor.

(C) If the statements described in subparagraphs (A) or (B) of this paragraph do not reasonably approximate income as determined under this chapter, the Mayor may accept those statements with appropriate adjustments to approximate that income.



(4) If a unitary business includes income from a partnership, the income to be included in the total income of the combined group shall be the member of the combined group's direct and indirect distributive share of the partnership's unitary business income.

(5)(A) All dividends paid by one to another of the members of the combined group shall, to the extent those dividends are paid out of the earnings and profits of the unitary business included in the combined report, in the current or an earlier year, be eliminated from the income of the recipient.

(B) Except as otherwise provided, this paragraph shall not apply to dividends received from members of the unitary business that are not a part of the combined group. Except when specifically required by the Mayor to be included, all dividends paid by an insurance company directly or indirectly to a corporation that is part of a unitary business with the insurance company shall be deducted or eliminated from the income of the recipient of the dividend.

(6)(A) Except as otherwise provided by regulation, business income from an inter-company transaction between members of the same combined group shall be deferred in a manner similar to 26 C.F.R. § 1.1502-13.

(B) Upon the occurrence of any of the following events, deferred business income resulting from an inter-company transaction between members of a combined group shall be restored to the income of the seller and shall be apportioned as business income earned immediately before the event:

(i) The object of a deferred inter-company transaction is:

(I) Resold by the buyer to an entity that is not a member of the combined group;

(II) Resold by the buyer to an entity that is a member of the combined group for use outside the unitary business in which the buyer and seller are engaged; or

(III) Converted by the buyer to a use outside the unitary business in which the buyer and seller are engaged; or

(ii) The buyer and seller are no longer members of the same combined group, regardless of whether the members remain unitary.

(7)(A) A charitable expense incurred by a member of a combined group shall, to the extent allowable as a deduction pursuant to section 170 of the Internal Revenue Code of 1986, be subtracted first from the business income of the combined group, subject to the income limitations of that section applied to the entire business income of the group and any remaining amount shall then be treated as a nonbusiness expense allocable to the member that incurred the expense, subject to the income limitations of that section applied to the nonbusiness income of that specific member.

(B) Any charitable deduction disallowed under subparagraph (A) of this paragraph, but allowed as a carryover deduction in a subsequent year, shall be treated as originally incurred in the subsequent year by the same member and as set forth in this section shall apply in the subsequent year in determining the allowable deduction in that year.

(8) Gain or loss from the sale or exchange of capital assets, property described by section 1231(a)(3) of the Internal Revenue Code of 1986, and

property subject to an involuntary conversion shall be removed from the total separate net income of each member of a combined group and shall be apportioned and allocated:

(A) For each class of gain or loss (short-term capital, long-term capital, section 1231 of the Internal Revenue Code of 1986, and involuntary conversions) all members' business gain and loss for the class shall be combined without netting between classes and each class of net business gain or loss separately apportioned to each member using the member's apportionment percentage determined under § 47-1810.04.

(B) Each taxpayer member shall then net its apportioned business gain or loss for all classes, including any such apportioned business gain and loss from other combined groups, against the taxpayer member's nonbusiness gain and loss for all classes allocated to the District, using the rules of sections 1222 and 1231 of the Internal Revenue Code of 1986, without regard to any of the taxpayer member's gains or losses from the sale or exchange of capital assets, section 1231 of the Internal Revenue Code of 1986 property, and involuntary conversions that are nonbusiness items allocated to another state.

(C) Any resulting District source income or loss, if the loss is not subject to the limitations of section 1211 of the Internal Revenue Code of 1986, of a taxpayer member produced by the application of the preceding subparagraphs shall then be applied to all other District source income or loss of that member.

(D) Any resulting District source loss of a member that is subject to the limitations of section 1211 of the Internal Revenue Code of 1986 shall be carried over by that member and shall be treated as District source short-term capital loss incurred by that member for the year for which the carryover applies.

(9) Any expense of one member of the unitary group that is directly or indirectly attributable to the nonbusiness or exempt income of another member of the unitary group shall be allocated to that other member as corresponding nonbusiness or exempt expense, as appropriate.

(Sept. 14, 2011, D.C. Law 19-21, § 8002(d), 58 DCR 6226.)

**Legislative history of Law 19-21.** — For history of Law 19-21, see notes under § 47-305.02.

19-21 provided: "Sec. 8004. Applicability. This subtitle shall apply for taxable years beginning after December 31, 2010."

**Editor's notes.** — Section 8004 of D.C. Law

## § 47-1810.06. Designation of surety.

As a filing convenience, and without changing the respective liability of group members, members of a combined reporting group may annually elect to designate one taxpayer member of the combined group to file a single return, in the form and manner prescribed by the department, in lieu of filing their own respective returns; provided, that the taxpayer designated to file the single return consents to act as surety with respect to the tax liability of all other taxpayers properly included in the combined report and agrees to act as agent on behalf of those taxpayers for the year of the election for tax matters relating to the combined report for that year. If for any reason the surety is



unwilling or unable to perform its responsibilities, tax liability may be assessed against the taxpayer members.

(Sept. 14, 2011, D.C. Law 19-21, § 8002(d), 58 DCR 6226.)

**Legislative history of Law 19-21.** — For history of Law 19-21, see notes under § 47-305.02.

19-21 provided: “Sec. 8004. Applicability. This subtitle shall apply for taxable years beginning after December 31, 2010.”

**Editor’s notes.** — Section 8004 of D.C. Law

## § 47-1810.07. Water’s-edge reporting; initiation and withdrawal election.

(a)(1) Absent an election under subsection (b) of this section to report based upon a worldwide unitary combined reporting basis, taxpayer members of a unitary group shall determine each of their apportioned shares of the net business income or loss of the combined group on a water’s-edge unitary combined reporting basis.

(2) In determining tax under this chapter on a water’s-edge unitary combined reporting basis, taxpayer members shall take into account all or a portion of the income and apportionment factors of only the following members otherwise included in the combined group pursuant to § 47-1805.02a:

(A) The entire income and apportionment factors of any member incorporated in the United States or formed under the laws of any state, the District, or any territory or possession of the United States;

(B) The entire income and apportionment factors of any member, regardless of the place incorporated or formed, if the average of its property, payroll, and sales factors within the United States is 20% or more;

(C) The entire income and apportionment factors of any member that is a domestic international sales corporation, as described in sections 991 through 994 of the Internal Revenue Code of 1986, inclusive, a foreign sales corporation, as described in sections 921 through 927 of the Internal Revenue Code of 1986, inclusive, or any member that is an export trade corporation, as described in sections 970 through 971 of the Internal Revenue Code of 1986, inclusive;

(D) Any member not described in subparagraphs (A), (B), or (C) of this paragraph shall include its business income that is effectively connected, or treated as effectively connected under the provisions of the Internal Revenue Code of 1986, with the conduct of a trade or business within the United States and, for that reason, subject to federal income tax;

(E) Any member that is a controlled foreign corporation, as defined in section 957 of the Internal Revenue Code of 1986, to the extent of the income of that member that is defined in section 952 of Subpart F of the Internal Revenue Code of 1986 not excluding lower-tier subsidiaries’ distributions of such income that were previously taxed, determined without regard to federal treaties, and the apportionment factors related to that income; any item of income received by a controlled foreign corporation shall be excluded if such income was subject to an effective rate of income tax imposed by a foreign country greater than 90% of the maximum rate of tax specified in section 11 of the Internal Revenue Code of 1986;

(F) Any member that is a resident of a country that does not have a comprehensive income tax treaty with the United States and earns more than 20% of its income, directly or indirectly, from intangible property or service-related activities that are deductible against the business income of other members of the water's-edge group, to the extent of that income and the apportionment factors related thereto; and

(G)(i) The entire income and apportionment factors of any member that is doing business in a tax haven defined as being engaged in activity sufficient for that tax haven jurisdiction to impose a tax under United States constitutional standards.

(ii) If the member's business activity within a tax haven is entirely outside the scope of the laws, provisions, and practices that cause the jurisdiction to meet the criteria of a tax haven, as that term is defined in § 47-1801.04(49), the activity of the member shall be treated as not having been conducted in a tax haven.

(b) An election to report District tax based on worldwide unitary combined reporting is effective only if made on a timely filed original return for a tax year by every member of the unitary business subject to tax under this chapter.

(c) At the discretion of the Mayor:

(1) A worldwide unitary combined reporting election may be disregarded, in part or in whole, and the income and apportionment factors of any member of the taxpayer's unitary group may be included in or excluded from the combined report without regard to the provisions of this section, if any member of the unitary group fails to comply with any provision of this chapter; and

(2) Worldwide unitary combined reporting may be mandated, in part or in whole, and the income and apportionment factors of any member of the taxpayer's unitary group may be included in or excluded from the combined report without regard to the provisions of this section, if any member of the unitary group fails to comply with any provision of this chapter, or if a person otherwise not included in the water's-edge combined group was availed of with a substantial objective of avoiding state income tax.

(d)(1) A worldwide unitary combined reporting election is binding for and applicable to the tax year it is made and all tax years thereafter for a period of 10 years. It may be withdrawn or reinstituted after withdrawal, prior to the expiration of the 10-year period, only upon written request for reasonable cause based on extraordinary hardship due to unforeseen changes in state tax statutes, law, or policy, and only with the written authorization of the Mayor.

(2) An election shall constitute consent to the reasonable production of documents and taking of depositions in accordance with District law.

(3) If the Mayor grants a withdrawal of election pursuant to paragraph (1) of this subsection, he or she shall impose reasonable conditions necessary to prevent the evasion of tax or to clearly reflect income for the election period prior to or after the withdrawal.

(4) Upon the expiration of the 10-year period, a taxpayer may withdraw from the worldwide unitary combined reporting election. Withdrawal must be made in writing within one year of the expiration of the election and is binding for a period of 10 years, subject to the same conditions as applied to the original



election. If no withdrawal is properly made, the worldwide unitary combined reporting election shall be in place for an additional 10-year period, subject to the same conditions as applied to the original election.

(e) The Mayor shall develop rules governing the impact, if any, on the scope or application of a worldwide unitary combined reporting election, including termination or deemed election, resulting from a change in the composition of the unitary group, the combined group, the taxpayer members and any other similar change.

(Sept. 14, 2011, D.C. Law 19-21, § 8002(d), 58 DCR 6226.)

**Legislative history of Law 19-21.** — For history of Law 19-21, see notes under § 47-305.02.

19-21 provided: “Sec. 8004. Applicability. This subtitle shall apply for taxable years beginning after December 31, 2010.”

**Editor’s notes.** — Section 8004 of D.C. Law

### § 47-1810.08. Accounting rules; future deductions.

(a) If the enactment of combined reporting requirements for unitary businesses results in an increase to a combined group’s net deferred tax liability, the combined group shall be entitled to a deduction to the extent determined under subsection (b) of this section. Only publicly traded companies, including affiliated corporations participating in the filing of a publicly traded company’s financial statements prepared in accordance with either generally accepted accounting principles or international financial reporting standards, as of [September 14, 2011], shall be eligible for this deduction. To the extent the deduction would produce a net operating loss in any tax year, the unused deduction may be carried forward to each succeeding tax year indefinitely by the combined group and deducted without regard to any limitation

(b) For the 7-year period beginning with the 5th year of the combined filing, a combined group shall be entitled to a deduction equal to  $\frac{1}{67}$  th of the net increase in the taxable temporary differences that caused the increase in the net deferred tax liability, as computed at the time of enactment in accordance with either generally accepted accounting principles or international financial reporting standards, that would result from the imposition of the combined reporting requirements but for the deduction provided under this section. The amount of the deduction shall in no case exceed the amount necessary to offset any increase in net deferred tax liability, as computed in accordance with either generally accepted accounting principles or international financial reporting standards, that would result from the imposition of all of the provisions of this act [this chapter] but for the deduction provided under this section.

(c) For the purposes of this section, the term “net deferred tax liability” shall mean the net increase, if any, in deferred tax liabilities minus the net increase, if any, in deferred tax assets of the combined group, as computed in accordance with either generally accepted accounting principles or international financial reporting standards.

(Sept. 14, 2011, D.C. Law 19-21, § 8002(d), 58 DCR 6226.)

**Legislative history of Law 19-21.** — For history of Law 19-21, see notes under § 47-305.02.

**Editor's notes.** — Section 8004 of D.C. Law

19-21 provided: "Sec. 8004. Applicability. This subtitle shall apply for taxable years beginning after December 31, 2010."

### *Subchapter XI. Bases.*

#### **§ 47-1811.01. Disposition of property — Basis for determination of gain or loss.**

The basis for determining the gain or loss from the sale or other disposition of property shall be the same basis as that provided for determining gain or loss under the Internal Revenue Code of 1986.

(July 16, 1947, 61 Stat. 350, ch. 258, art. I, title XI, § 1; Oct. 31, 1969, 83 Stat. 177, Pub. L. 91-106, title VI, § 601(c)(1); June 24, 1987, D.C. Law 7-9, § 2(k), 34 DCR 3283; Oct. 1, 1987, D.C. Law 7-29, § 2(k)(1), 34 DCR 5097; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1811.1.

1973 Ed., § 47-1583.

**Legislative history of Law 7-9.** — For legislative history of D.C. Law 7-9, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 7-29.** — For legislative history of D.C. Law 7-29, see Historical and Statutory Notes following § 47-1801.01a.

#### **§ 47-1811.02. Disposition of property — Determination of gain or loss.**

The gain or loss, as the case may be, from the sale or other disposition of property, including the amount realized and the amount recognized, shall be determined in the same manner provided for the determination of gain or loss for federal income tax purposes under the Internal Revenue Code of 1986.

(July 16, 1947, 61 Stat. 350, ch. 258, art. I, title XI, § 2; Oct. 31, 1969, 83 Stat. 177, Pub. L. 91-106, title VI, § 601(c)(2)(A), (B); June 24, 1987, D.C. Law 7-9, § 2(l), 34 DCR 3283; Oct. 1, 1987, D.C. Law 7-29, § 2(k)(2), 34 DCR 5097; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1811.2.

1973 Ed., § 47-1583a.

**Legislative history of Law 7-9.** — For legislative history of D.C. Law 7-9, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 7-29.** — For legislative history of D.C. Law 7-29, see Historical and Statutory Notes following § 47-1801.01a.

#### **§ 47-1811.03. Bases — Property dividends.**

Where any property other than money is paid by a corporation as a dividend, the base to the recipient thereof shall be the market value of such property at the time of its distribution by such corporation.



(July 16, 1947, 61 Stat. 351, ch. 258, art. I, title XI, § 4; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1811.3. 1973 Ed., § 47-1583c.

## § 47-1811.04. Bases — Determination of depreciation deduction.

The basis used in determining the amount allowable as a deduction from gross income under the provisions of § 47-1803.03(a)(7) and (b-3) shall be the same basis as that provided for determining the gain from the sale or other disposition of property for federal income tax purposes under the Internal Revenue Code of 1986; provided, that no adjustment shall be made for:

(1) The amount of the special depreciation allowance under section 168(k) of the Internal Revenue Code of 1986 [26 U.S.C. § 168(k)]; and

(2) The amount of the cost of property elected to be treated as chargeable to capital account under section 179 of the Internal Revenue Code of 1986 [26 U.S.C. § 179] in excess of the lesser of \$25,000 (\$40,000 in the case of a Qualified High Technology Company) or the actual cost of such property.

(July 16, 1947, 61 Stat. 351, ch. 258, art. I, title XI, § 6; Oct. 31, 1969, 83 Stat. 177, Pub. L. 91-106, title VI, § 601(c)(4); June 24, 1987, D.C. Law 7-9, § 2(m), 34 DCR 3283; Oct. 1, 1987, D.C. Law 7-29, § 2(k)(3), 34 DCR 5097; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Oct. 1, 2002, D.C. Law 14-190, § 832(b), 49 DCR 6968; Aug. 16, 2008, D.C. Law 17-219, § 7107(b), 55 DCR 7598.)

**Section references.** — This section is referred to in § 47-1803.03.

**Prior Codifications.** — 1981 Ed., § 47-1811.4.

1973 Ed., § 47-1583e.

**Effect of amendments.** — D.C. Law 14-190 rewrote the section which had read as follows: "The basis used in determining the amount allowable as a deduction from gross income under the provisions of § 47-1803.03(a)(7) shall be the same basis as that provided for determining the gain from the sale or other disposition of property for federal income tax purposes under the Internal Revenue Code of 1986."

D.C. Law 17-219 rewrote the section, which had read as follows: "The basis used in determining the amount allowable as a deduction from gross income under the provisions of § 47-1803.03(a)(7) shall be the same basis as that provided for determining the gain from the sale or other disposition of property for federal income tax purposes under the Internal Revenue Code of 1986; provided, that no adjustment shall be made for the amount of the special depreciation allowance for property acquired after September 10, 2001 and before September 11, 2004 and subject to special rules pursuant

to section 168(k) of the Internal Revenue Code of 1986."

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 2(b) of Bonus Depreciation De-Coupling From the Internal Revenue Code Temporary Act of 2002 (D.C. Law 14-175, July 23, 2002, law notification 49 DCR 8269).

For temporary (225 day) amendment of section, see § 2(b) of Depreciation Allowance for Small Business De-Coupling From the Internal Revenue Code Temporary Act of 2004 (D.C. Law 15-160, May 18, 2004, law notification 51 DCR 5700).

Section 2(b) of D.C. Law 15-322 amended the section to read as follows: "The basis used in determining the amount allowable as a deduction from gross income under the provisions of § 47-1803.03(a)(7) shall be the same basis as that provided for determining the gain from the sale or other disposition of property for federal income tax purposes under the Internal Revenue Code of 1986; provided, that no adjustment shall be made for the amount of the special depreciation allowance for property acquired after September 10, 2001 and before September 30, 2005 and subject to special rules pursuant

to section 168(k) of the Internal Revenue Code of 1986. No deduction shall be allowed for the increased expensing for small businesses and subject to the special rules pursuant to section 179 of the Internal Revenue Code of 1986. No expensing of computer software shall be allowed. No increase shall be allowed in Qualifying investments at which phaseout begins.”

Section 4(b) of D.C. Law 15-322 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2(b) of Bonus Depreciation De-coupling from the Internal Revenue Code Emergency Act of 2002 (D.C. Act 14-341, April 24, 2002, 49 DCR 4291).

For temporary (90 day) amendment of section, see § 2(b) of Depreciation Allowance for Small Business De-Coupling from the Internal Revenue Code Emergency Amendment Act of 2004 (D.C. Act 15-379, February 27, 2004, 51 DCR 2645).

For temporary (90 day) amendment of section, see § 2(b) of Depreciation Allowance for Small Business De-Coupling from the Internal Revenue Code Second Emergency Act of 2004 (D.C. Act 15-644, December 29, 2004, 52 DCR 229).

For temporary (90 day) amendment of section, see § 2(b) of Depreciation Allowance for Small Business De-Coupling for the Internal Revenue Code Congressional Review Emer-

gency Amendment Act of 2005 (D.C. Act 16-59, March 17, 2005, 52 DCR 3193).

For temporary (90 day) amendment of section, see § 2(b) of Depreciation Allowance for Small Business De-Coupling from the Internal Revenue Code Emergency Act of 2005 (D.C. Act 16-240, December 22, 2005, 53 DCR 260).

For temporary (90 day) amendment of section, see § 2(b) of Depreciation Allowance for Small Business De-Coupling from the Internal Revenue Code Emergency Act of 2005 (D.C. Act 16-240, December 22, 2005, 53 DCR 260).

**Legislative history of Law 7-9.** — For legislative history of D.C. Law 7-9, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 7-29.** — For legislative history of D.C. Law 7-29, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 14-190.** — For Law 14-190, see notes following § 47-308.01.

**Legislative history of Law 15-322.** — For Law 15-322, see notes following § 47-1803.03.

**Legislative history of Law 17-219.** — For Law 17-219, see notes following § 47-318.05a.

**References in text.** — Section 168(k) of the Internal Revenue Code of 1986, referred to in the section is codified as 26 U.S.C. § 168(k).

**Editor's notes.** — Section 7108 of D.C. Law 17-219 provided that this subtitle shall apply for taxable years beginning after December 31, 2007.

## CASE NOTES

### In general.

Depreciation deductions are allowable under only statutory authorization. D.C. Code §§ 47-

1557b(a)(7), 47-1574, 47-1574b. *Lenkin v. District of Columbia*, 461 F.2d 1215, 1972 U.S. App. LEXIS 11248 (C.A.D.C. 1972).

## *Subchapter XII. Assessment and Collection; Time of Payment.*

### § 47-1812.01. General duties of Mayor.

The Mayor is hereby required to administer the provisions of this chapter. As soon as practicable after the return is filed, the Mayor shall examine it and shall determine the correct amount of tax.

(July 16, 1947, 61 Stat. 352, ch. 258, art. I, title XII, § 1; Mar. 6, 1979, D.C. Law 2-158, § 4, 25 DCR 7002; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1812.1.

1973 Ed., § 47-1586.

**Legislative history of Law 2-158.** — For

legislative history of D.C. Law 2-158, see Historical and Statutory Notes following § 47-1801.04.



## § 47-1812.02. Records and statements.

Every person upon whom the duty is imposed by this chapter to file any applications, returns, or reports or who is liable for any tax imposed by this chapter shall keep such records, render under oath such statements, and comply with such rules and regulations as the Mayor from time to time may prescribe. Whenever the Mayor deems it necessary, he may require any person, by notice served upon him, to make a return, render under oath such statements, or keep such records as he believes sufficient to show whether or not such person is liable to tax under this chapter and the extent of such liability.

(July 16, 1947, 61 Stat. 352, ch. 258, art. I, title XII, § 2; Mar. 6, 1979, D.C. Law 2-158, § 4, 25 DCR 7002; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1812.2. legislative history of D.C. Law 2-158, see Historical and Statutory Notes following § 47-1801.04.  
1973 Ed., § 47-1586a.

**Legislative history of Law 2-158.** — For

## § 47-1812.03. Examination of books and witnesses; failure to obey summons or permit examination; prosecutions. [Repealed].

Repealed.

(July 16, 1947, 61 Stat. 352, ch. 258, art. I, title XII, § 3; June 25, 1948, 62 Stat. 991, ch. 646, § 32(a), (b); May 24, 1949, 63 Stat. 107, ch. 139, § 127; July 8, 1963, 77 Stat. 77, Pub. L. 88-60, § 1; July 29, 1970, 84 Stat. 570, 573, Pub. L. 91-358, title I, § 155(a), (c)(51); Mar. 6, 1979, D.C. Law 2-158, § 4, 25 DCR 7002; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(w), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1812.3.  
1973 Ed., § 47-1586b.

**Legislative history of Law 2-158.** — For legislative history of D.C. Law 2-158, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Section 410(d) of D.C. Law 13-305 provided: "Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000."

## § 47-1812.04. Duty of Mayor to make return.

If any person fails to make and file a return at the time prescribed by law or by regulations made under authority of law, or makes, willfully or otherwise, a false or fraudulent return, the Mayor shall make the return from his own knowledge and from such information as he can obtain through testimony or otherwise. Any return so made and subscribed by the Mayor shall be prima facie good and sufficient for all legal purposes.

(July 16, 1947, 61 Stat. 352, ch. 258, art. I, title XII, § 4; Mar. 6, 1979, D.C. Law 2-158, § 4, 25 DCR 7002; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1812.4.

1973 Ed., § 47-1586c.

**Legislative history of Law 2-158.** — For

legislative history of D.C. Law 2-158, see Historical and Statutory Notes following § 47-1801.04.

## § 47-1812.05. Determination of deficiency; protest by taxpayer; hearing; determination of taxable income; effect thereof.

Assessments of any deficiencies in the tax due under this chapter, or any interest and penalties thereon, shall be governed by § 47-4312. The Mayor may determine the gross income, adjusted gross income, and any itemized deductions necessary to arrive at the taxpayer's proper taxable income. Any assessment made or proposed on the basis of such determinations shall be deemed prima facie correct. Any assessment, compromise, closing agreement, settlement, adjustment, ruling, or other determination of the individual's, estate's, or trust's income or status for federal income tax purposes made or proposed by the Internal Revenue Service, or other competent federal authority, shall not be binding or deemed controlling on the Mayor, the courts, or such taxpayers in determining their taxable income for District income and franchise tax purposes.

(July 16, 1947, 61 Stat. 352, ch. 258, art. I, title XII, § 5; June 11, 1960, 74 Stat. 203, Pub. L. 86-507, § 1(54); Mar. 6, 1979, D.C. Law 2-158, § 4, 25 DCR 7002; June 11, 1982, D.C. Law 4-118, § 115, 29 DCR 1770; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Dec. 7, 2004, D.C. Law 15-217, § 4(b), 51 DCR 9126.)

**Cross references.** — Documentary evidence, certified mail return receipts, see § 14-506.

**Section references.** — This section is referred to in §§ 47-1806.06, 47-1806.09c, 47-1812.07, and 47-1815.01.

**Prior Codifications.** — 1981 Ed., § 47-1812.5.

1973 Ed., § 47-1586d.

**Effect of amendments.** — D.C. Law 15-217 deleted the first two sentences and inserted "Assessments of any deficiencies in the tax due under this chapter, or any interest and penalties thereon, shall be governed by § 47-4312". in their place. Prior to amendment, the first two sentences had read as follows: "If a deficiency in tax is determined by the Mayor, the taxpayer shall be notified thereof and given a period of not less than 30 days, after such notice is sent by registered mail or by certified mail, in which to file a protest and show cause or reason why the deficiency should not be paid. Opportunity for hearing shall be granted by the Mayor, and

a final decision thereon shall be made as quickly as practicable."

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 3(b) of Office of Administrative Hearings Establishment Emergency Amendment Act of 2004 (D.C. Act 15-513, August 2, 2004, 51 DCR 8976).

For temporary (90 day) amendment of section, see § 3(b) of Office of Administrative Hearings Establishment Congressional Review Emergency Amendment Act of 2004 (D.C. Act 15-553, October 26, 2004, 51 DCR 10359).

**Legislative history of Law 2-158.** — For legislative history of D.C. Law 2-158, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 4-118.** — For legislative history of D.C. Law 4-118, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 15-217.** — For Law 15-217, see notes following § 47-1528.

**Editor's notes.** — Notice of deficiency is



different from an assessment: This section obviously contemplates that an assessment is to be made after the notice of deficiency has been

issued, after the taxpayer has filed a protest, and after any hearing has been held.

### CASE NOTES

#### **In general.**

Notice of deficiency did not qualify as timely filed "assessment" of income tax liability. D.C.

Code 1981, § 47-1812.5. *Hobson v. District of Columbia*, 686 A.2d 194, 1996 D.C. App. LEXIS 254 (1996).

## § 47-1812.06. Jeopardy assessment. [Repealed].

Repealed.

(July 16, 1947, 61 Stat. 353, ch. 258, art. I, title XII, § 6; Mar. 6, 1979, D.C. Law 2-158, § 4, 25 DCR 7002; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(x)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1812.6.

1973 Ed., § 47-1586e.

**Legislative history of Law 2-158.** — For legislative history of D.C. Law 2-158, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Section 410(e) of D.C. Law 13-305 provided: "Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x) through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001."

## § 47-1812.07. Payment of tax.

(a)(1) *Time of payment.* — Except as provided in paragraph (2) of this subsection, the total amount of tax due as shown on the taxpayer's return is due and payable in full at the time prescribed in this subchapter for the filing of such return.

(2) *Individual income taxes.* — Any amount of individual income tax due, in excess of that withheld or remitted by way of a declaration of estimated tax, is due and payable in full at the time prescribed in this chapter for filing an income tax return.

(3) *Deficiencies.* — Any deficiency in any tax imposed by this chapter, determined by the Mayor under the provisions of § 47-1812.05 shall be due and payable within 10 days from the date of the assessment.

(4) *Employers.* — Every employer required to deduct and withhold tax under this chapter shall make a return of, and pay to the District, the tax required to be withheld under this chapter for such periods and at such times as the Mayor may prescribe.

(5) *Jeopardy payments.* — If the Mayor, in any case, has reason to believe that the collection of the tax provided for in paragraph (4) of this subsection is in jeopardy, he may require the employer to make such a return and pay such tax at any time.

(6) *Estimated tax.* — The estimated tax provided for in this chapter shall be paid as follows:

(A) If the declaration is filed on or before April 15th of the taxable year, the estimated tax shall be paid in 4 equal installments. The first installment shall be paid at the time of the filing of the declaration; the 2nd and 3rd on

June 15th and September 15th, respectively, of the taxable year; and the 4th on January 15th of the succeeding taxable year;

(B) If the declaration is filed after April 15th and not after June 15th of the taxable year and is not required by this chapter to be filed on or before April 15th of the taxable year, the estimated tax shall be paid in 3 equal installments. The first installment shall be paid at the time of the filing of the declaration; the 2nd on September 15th of the taxable year; and the 3rd on January 15th of the succeeding taxable year;

(C) If the declaration is filed after June 15th and not after September 15th of the taxable year and is not required by this chapter to be filed on or before June 15th of the taxable year, the estimated tax shall be paid in 2 equal installments. The first installment shall be paid at the time of the filing of the declaration, and the 2nd on January 15th of the succeeding taxable year;

(D) If the declaration is filed after September 15th of the taxable year, and is not required by this chapter to be filed on or before September 15th of the taxable year, the estimated tax shall be paid in full at the time of the filing of the declaration; and

(E) If the declaration is filed after the time prescribed in this chapter, including cases where extensions of time have been granted, subparagraphs (B), (C), and (D) of this paragraph shall not apply, and there shall be paid at the time of such filing all installments of estimated tax which would have been payable on or before such time if the declaration had been filed within the time prescribed in this chapter, and the remaining installments shall be paid at the times at which, and in the amounts in which, they would have been payable if the declaration had been so filed.

(7) *Amendment of declaration.* — If any amendment of a declaration is filed, the remaining installments, if any, shall be ratably increased or decreased, as the case may be, to reflect the respective increase or decrease in the estimated tax by reason of such amendment, and if any amendment is made after September 15th of the taxable year any increase in the estimated tax by reason thereof shall be paid at the time of making such amendment.

(8) *Application to fiscal year basis.* — In the application of paragraphs (4), (5), (6) and (7) of this subsection to taxpayers reporting income on a fiscal year basis, there shall be substituted for the dates specified therein, the months corresponding thereto.

(b) *Extension of time.* — At the request of the taxpayer the Mayor may extend the time for payment by the taxpayer of the amount determined as the tax for a period not to exceed 6 months from the date prescribed for the payment of the tax or an installment thereof; provided, however, that where the time for filing a return is extended for a period exceeding 6 months under the provisions of § 47-1805.03(b), the Mayor may extend the time for payment of the tax, or the first installment thereof, to the same date to which he has extended the time for filing the return. In such case the amount in respect to which the extension is granted shall be paid on or before the date of the expiration of the period of the extension.

(c) *Voluntary advance payment.* — A tax imposed by this chapter, or any installment thereof, may be paid, at the election of the taxpayer, prior to the date prescribed for its payment.



(July 16, 1947, 61 Stat. 353, ch. 258, art. I, title XII, § 7; Mar. 31, 1956, 70 Stat. 71, ch. 154, § 10; Mar. 2, 1962, 76 Stat. 10, Pub. L. 87-408, § 201; Aug. 2, 1968, 82 Stat. 612, Pub. L. 90-450, title II, § 203(a); Mar. 6, 1979, D.C. Law 2-158, § 4, 25 DCR 7002; Sept. 13, 1980, D.C. Law 3-92, § 502(a), 27 DCR 3390; July 24, 1982, D.C. Law 4-131, § 104, 29 DCR 2418; Apr. 9, 1997, D.C. Law 11-198, § 103(a), 43 DCR 4569; Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 9, 1997, D.C. Law 11-255, § 59, 44)

**Prior Codifications.** — 1981 Ed., § 47-1812.7.

1973 Ed., § 47-1586f.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see 2(c) of Fiscal Year 1997 Budget Support Temporary Amendment Act of 1997 (D.C. Law 12-4, May 23, 1997, law notification 44 DCR 3718).

**Emergency legislation.** — For temporary amendment of section, see § 105(a) of the Fiscal Year 1997 Budget Support Emergency Act of 1996 (D.C. Act 11-302, July 25, 1996, 43 DCR 4181).

For temporary repeal of § 103(a) of D.C. Act 11-360, see § 2(c) of the Fiscal Year 1997 Budget Support Emergency Amendment Act of 1997 (D.C. Act 12-37, March 18, 1997, 44 DCR 1935).

**Legislative history of Law 2-158.** — For legislative history of D.C. Law 2-158, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 3-92.** — For legislative history of D.C. Law 3-92, see Historical and Statutory Notes following § 47-1803.03.

**Legislative history of Law 4-131.** — For legislative history of D.C. Law 4-131, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 11-198.** — Law 11-198, the "Fiscal Year 1997 Budget Support Act of 1996," was introduced in Council and assigned Bill No. 11-741, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on June 19, 1996, and July 3, 1996, respectively. Signed by the Mayor on July 26, 1996, it was assigned Act No. 11-360 and transmitted to both Houses of Congress for its review. D.C. Law 11-198 became effective April 9, 1997.

**Legislative history of Law 11-255.** — Law 11-255, the "Second Technical Amendments Act of 1996," was introduced in Council and assigned Bill No. 11-905, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 7, 1996, and December 3, 1996, respectively. Signed by the Mayor on December 24, 1996, it was assigned Act No. 11-519 and transmitted to both Houses of Congress for its review. D.C. Law 11-255 became effective April 9, 1997.

## § 47-1812.08. Withholding of tax.

(a) *Income of foreign corporations or unincorporated business.* — Whenever the Council of the District of Columbia shall deem it necessary in order to satisfy the District's claim for a tax payable by any foreign corporation or unincorporated business, it may, by rules and regulations, require any person subject to the jurisdiction of the District to withhold and pay to the Mayor an amount not in excess of 5% of all income payable by such person to such foreign corporation or unincorporated business. After such foreign corporation or unincorporated business shall have filed all returns required under this subchapter, and the same shall have been audited, the Mayor shall refund any overpayment to the taxpayer.

(b) *Wages; method of determination.* —

(1) Every employer making payment of wages on or after October 1, 1956, to any employee as defined in this chapter, shall deduct and withhold a tax upon such wages, such tax to be determined by one of the following methods, to be elected by the employer, subject to the approval of the Mayor, with respect to any employee:

(A) In accordance with a percentage method of withholding similar in

principle to that under § 3402 of the Internal Revenue Code of 1986 (§ 3402 of Title 26, United States Code), to be included in regulations;

(B) In accordance with tables similar in principle to those contained in § 3402 of the Internal Revenue Code of 1986, to be included in regulations;

(C) Repealed; or

(D) By such other method as may be prescribed in regulations.

(2)(A) If wages are paid with respect to a period which is not a payroll period, the amount to be deducted and withheld shall be that applicable in the case of a miscellaneous payroll period containing a number of days, including Sundays and holidays, equal to the number of days in the period with respect to which such wages are paid.

(B) In any case in which wages are paid by an employer without regard to any payroll period or other period, the amount to be deducted and withheld shall be that applicable in the case of a miscellaneous payroll period containing a number of days equal to the number of days (including Sundays and holidays) which have elapsed since the date of the last payment of such wages by such employer during the calendar year, or the date of commencement of employment with such employer during such year, or January 1st of such year, whichever is the later.

(C) In determining the amount to be deducted and withheld under this section, the wages may, at the election of the employer, be computed to the nearest dollar.

(D) The Council of the District of Columbia may, by regulations, authorize employers:

(i) To estimate the wages which will be paid to any employee in any quarter of the calendar year;

(ii) To determine the amount to be deducted and withheld upon each payment of wages to such employee during such quarter as if the appropriate average of the wages so estimated constituted the actual wages paid; and

(iii) To deduct and withhold upon any payment of wages to such employee during such quarter such amount as may be necessary to adjust the amount actually deducted and withheld upon the wages of such employee during such quarter to the amount that would be required to be deducted and withheld during such quarter if the payroll period of the employee were quarterly.

(E) The Council of the District of Columbia is authorized to provide by regulation, under such conditions and to such extent as it deems proper, for withholding in addition to that otherwise required under this section in cases in which the employer and the employee agree to such additional withholding. Such additional withholding shall for all purposes be considered the tax required to be deducted and withheld under this section.

(c) *Overlapping pay periods; multiple employers.* —

(1) If payment of wages is made to an employee by an employer:

(A) With respect to a payroll period or other period, any part of which is included in a payroll period or other period with respect to which wages are also paid to such employee by such employer;

(B) Without regard to any payroll period or other period, but on or prior



to the expiration of a payroll period or other period with respect to which wages are also paid to such employee by such employer;

(C) With respect to a period beginning in 1 and ending in another calendar year; or

(D) Through an agent, fiduciary, or other person who also has the control, receipt, custody, or disposal of, or pays the wages payable by another employer to such employee.

(2) The manner of withholding and the amount to be deducted and withheld under this section shall be determined in accordance with regulations promulgated by the Council of the District of Columbia under which the withholding exemption allowed to the employee in any calendar year shall approximate the withholding exemption allowable with respect to an annual payroll period.

(d) *Included and excluded wages.* — If the remuneration paid by an employer to an employee for services performed during one-half or more of any payroll period of not more than 31 consecutive days constitutes wages, all the remuneration paid by such employer to such employee for such period shall be deemed to be wages; but if the remuneration paid by an employer to an employee for services performed during more than one-half of any such payroll period does not constitute wages, then none of the remuneration paid by such employer to such employee for such period shall be deemed to be wages.

(e) *Exemptions.* —

(1) An employee receiving wages shall on any day be entitled to the withholding exemptions allowed under this chapter, unless the Mayor determines that an alternative withholding method is warranted under paragraphs (9) or (11) of this subsection.

(2) Every employee shall, on or before October 1, 1956, or before the date of commencement of employment, whichever is later, furnish his employer with a signed withholding exemption certificate relating to the withholding exemptions which he claims, which in no event shall exceed the number to which he is entitled.

(3) Withholding exemption certificates shall take effect as of the beginning of the first payroll period ending, or the first payment of wages made without regard to a payroll period, on or after the date on which such certificate is so furnished; provided, that certificates furnished before October 1, 1956, shall be considered as furnished on that date.

(4) A withholding exemption certificate which takes effect under this section shall continue in effect with respect to the employer until another such certificate takes effect under this section. If a withholding exemption certificate is furnished to take the place of an existing certificate, the employer, at his option, may continue the old certificate in force with respect to all wages paid on or before the first status determination date, January 1st or July 1st of each year, which occurs at least 30 days after the date on which such new certificate is furnished.

(5) If, on any day during the calendar year, the withholding exemptions to which the employee may reasonably be expected to be entitled at the beginning of his next taxable year is different from the exemptions to which the employee

is entitled on such day, the employee shall in such cases and at such times as the Mayor may prescribe, furnish the employer with a withholding exemption certificate relating to the exemptions which he claims with respect to such next taxable year, which shall in no event exceed the exemptions to which he may reasonably be expected to be so entitled. Exemption certificates issued pursuant to this subsection shall not take effect with respect to any payment of wages made in the calendar year in which the certificate is furnished.

(6) If, on any day during the calendar year, the withholding exemptions to which the employee is entitled is less than the withholding exemptions claimed by the employee on the withholding exemption certificate then in effect with respect to him, the employee shall, within 10 days thereafter, furnish the employer with a new withholding exemption certificate relating to the withholding exemptions which the employee then claims, which shall in no event exceed the exemptions to which he is entitled on such day. If, on any day during the calendar year, the withholding exemptions to which the employee is entitled is greater than the withholding exemptions claimed, the employee may furnish the employer with a new withholding exemption certificate relating to the withholding exemptions which the employee then claims, which shall in no event exceed the exemptions to which he is entitled on such day.

(7) Withholding exemption certificates shall be in such form and contain such information as the Council of the District of Columbia may by regulations prescribe.

(8) For periods beginning after December 31, 2011, an employee shall be entitled to additional withholding exemptions under this subsection with respect to payment of wages equal to a number determined by dividing by \$1,370 his or her estimated itemized deductions.

(9) An employer shall base withholding for the employee on zero withholding exemptions if the Mayor notifies an employer that:

(A) An employee has an unpaid tax liability;

(B) An employee failed to file a required District of Columbia income tax return; or

(C) An employee is subject to a tax refund interception request.

(10) If the conditions of paragraphs (9)(A), (B), and (C) of this subsection no longer apply, the employer may apply to the Mayor to authorize an increase in the number of withholding exemptions. Upon approval, the Mayor may authorize an increase in the number of withholding exemptions to the level at which they would not have resulted in an underpayment of taxpayer's most recent income tax return.

(11)(A) An exemption certificate shall be invalid if it:

(i) Does not contain the information required; or

(ii) Contains false or fraudulent information.

(B) An exemption certificate shall be valid if it states:

(i) A number of exemptions if it is less than the number of exemptions to which the individual is entitled under this chapter; or

(ii) A number of additional exemptions less than or equal to the fraction rounded down to the nearest whole number:

(I) The numerator of which equals the excess of the total of estimated itemized deductions, alimony payments, allowable child care ex-



penses, qualified retirement contributions, business losses, and employer business expenses over the standard deduction allowance; and

(II) The denominator of which equals the amount allowed for each exemption under this chapter for the applicable tax year.

(f) *Failure to withhold or pay amounts withheld.* —

(1) Any sum or sums withheld in accordance with the provisions of this section shall be deemed to be, and shall be, held in trust by the employer for the District of Columbia.

(2) The District of Columbia shall have a lien upon all the property of any employer who fails to withhold or pay over to the Mayor sums required to be withheld under this section. If the employer withholds but fails to pay over the amounts withheld to the Mayor the lien shall accrue on the date the amounts were withheld. If the employer fails to withhold, the lien shall accrue on the date the amounts were required to be withheld. The liens referred to in this paragraph shall constitute a preferred claim, having priority over all other liens or security interests of whatever kind and however created. If property of an employer is seized under distraint provisions, neither the United States Marshal, nor a receiver, assignee or any other officer shall sell the property without first determining from the Mayor the amounts due and payable by said employer, and if there be any amounts due, owing or unpaid, it shall be the duty of such officer to first pay to the Mayor the said amounts out of the proceeds of such sale before making any payment to any judgment creditor or other claimants of whatsoever kind or nature.

(g) *Statement to be furnished employee.* —

(1)(A) Every person required to deduct and withhold from an employee a tax under this section, or who would have been required to deduct and withhold a tax under this section if the employee had claimed no more than 1 withholding exemption, shall furnish to each such employee in respect to the wages paid by such person to such employee during the calendar year, on or before January 31st of the succeeding year, or, if his employment is terminated before the close of such calendar year, on the day on which the last payment of wages is made, a written statement showing the following:

(i) The name and address of such person;

(ii) The name and address of the employee and his social security account number;

(iii) The total amount of wages as defined in this chapter; and

(iv) The total amount deducted and withheld as tax under this section.

(B) The statement required to be furnished by this subsection in respect of any wages shall be furnished at such other times, shall contain such other information, and shall be in such form, as the Council of the District of Columbia may by regulation prescribe. A duplicate of such statement if made and filed in accordance with regulations prescribed by the Council of the District of Columbia shall constitute the return required to be made in respect to such wages.

(2) The Council of the District of Columbia may promulgate regulations providing for reasonable extensions of time, not in excess of 30 days, to employers required to furnish statements under this subsection.

(h) *Liability for tax withheld.* — An employer shall be liable for the payment of tax required to be deducted and withheld under this section. Such tax shall be paid to the Mayor and shall not be paid to any other person.

(i) *Declaration and payment of estimated tax.* —

(1) Every person residing or domiciled in the District at the times prescribed in paragraph (4) of this subsection shall, at these times, make declaration of his or her estimated tax for the taxable year if the person can reasonably be expected to receive gross income not subject to the withholding provisions of this section that will result in a tax liability of more than \$100. This requirement shall not apply to any elective officer of the government of the United States, or any employee on the staff of an elected officer in the legislative branch of the government of the United States if the employee is a bona fide resident of the state of residence of the elected officer, or any officer of the executive branch of the government whose appointment to the office held by him or her was by the President of the United States, and subject to confirmation by the Senate of the United States, and whose tenure of office is at the pleasure of the President of the United States, or any Justice of the Supreme Court of the United States unless the officers or Justices are domiciled within the District at any time during the taxable year.

(2) In the declaration required under paragraph (1) of this subsection, the individual shall state:

(A) The amount which he estimates as the amount of income tax due under this chapter for the taxable year;

(B) The amount which he estimates as the credit for tax withheld for the taxable year under this chapter;

(C) The excess of the amount estimated under subparagraph (A) of this paragraph over the amount estimated under subparagraph (B) of this paragraph, which excess for purposes of this section shall be considered the estimated tax for the taxable year; and

(D) Such other information as may be prescribed in regulations promulgated by the Council of the District of Columbia.

(3) In the case of married individuals (or domestic partner who filed under § 47-1805.01(f)), a single declaration under this section may be made by them jointly, in which case the liability with respect to the estimated tax shall be joint and several. No joint declaration may be made if the married individuals are separated under a decree of divorce or of separate maintenance (or domestic partner who filed under § 47-1805.01(f) has terminated the domestic partnership in accordance with § 32-702(d)), or if they have different taxable years. If a joint declaration is made but a joint return is not made for the taxable year, the estimated tax for such year may be treated as the estimated tax of either spouse (or domestic partner who filed under § 47-1805.01(f)), or may be divided between them.

(4) The declaration required under paragraph (1) of this subsection shall be filed with the Mayor on or before April 15th of the taxable year, except that if the requirements of paragraph (1) of this subsection are first met: (A) after April 1st and before June 2nd of the taxable year, the declaration shall be filed on or before June 15th of the taxable year; (B) after June 1st and before



September 2nd of the taxable year, the declaration shall be filed on or before September 15th of the taxable year; or (C) after September 1st of the taxable year, the declaration shall be filed on or before January 15th of the succeeding taxable year; provided, that the declaration required to be filed during 1956 may be filed not later than October 15, 1956, if the requirements of paragraph (1) of this subsection are fulfilled at any time prior to October 1, 1956.

(5) An individual may make amendments of a declaration filed during the taxable year under this subsection, under regulations prescribed by the Council of the District of Columbia.

(6) If on or before January 15th of the succeeding taxable year the taxpayer files a return for the taxable year for which the declaration is required and pays in full the amount computed on the return as payable, then under regulations prescribed by the Council of the District of Columbia:

(A) If the declaration is not required to be filed during the taxable year, but is required to be filed on or before such January 15th, such return shall, for the purposes of this section, be considered as such declaration; and

(B) If the tax shown on the return, reduced by the credits under this chapter, is greater than the estimated tax shown in a declaration previously made or, in the last amendment thereof, such return shall, for the purposes of this section, be considered as the amendment of the declaration permitted by this subsection to be filed on or before such January 15th.

(7) The Council of the District of Columbia may promulgate regulations governing reasonable extensions of time for filing declarations and paying the estimated tax. Except in the case of taxpayers who are abroad, no such extensions shall be for more than 6 months.

(8) If the taxpayer is unable to make his own declaration, the declaration shall be made by a duly authorized agent or by the guardian or other person charged with the care of the person or property of such taxpayer.

(9) The provisions of § 47-1805.04 shall apply to a declaration of estimated tax.

(10) Payment of the estimated tax, or any installment thereof, shall be considered payment on account of the tax for the taxable year.

(j) *Liability for 1956 tax.* — One-half of the liability for the income tax imposed by this chapter for the calendar year 1956, or the fiscal year of a taxpayer beginning during such calendar year, upon any resident of the District (other than fiduciaries) shall be discharged. The remainder of the total amount of the income tax due as shown on the taxpayer's return shall be paid to the Collector on the 15th of April, 1957, or if the return be made on the basis of a fiscal year the remainder of the total amount of such tax shall be paid on the 15th day of the 4th month following the close of the fiscal year.

(k) *Rate of interest.* — Notwithstanding any other provisions of this chapter, interest shall be assessed on deficiencies and late payments of income tax withheld or required to be withheld at source by an employer as provided for in this section at the rate of one and one half percent per month or fraction thereof from the date prescribed for payment of the tax until paid.

(l) *Withholding from lottery winnings.* —

(1) For the purposes of this subsection, the term:

(A) "Constructive receipt" or "constructively received" means that payments of lottery winnings, although not actually within a taxpayer's possession, are deemed to be received by the payee and subject to District tax in the taxable year during which the lottery winner is determined by Powerball or other lottery drawing.

(B) "Lottery winnings" means winnings which are subject to withholding as defined in section 3402(q) of the Internal Revenue Code of 1986, whether as a lump sum or annuitized payment.

(C) "Payment" means the payment of lottery winnings.

(D) "Payor" means a person responsible to make a payment subject to withholding under section 3402(q) of the Internal Revenue Code of 1986.

(2) In making payments, whether actually or constructively received by the payee, of lottery winnings taxable under § 47-1803.02, [§] 47-1807.02, or [§] 47-1808.02, the District of Columbia Lottery and Charitable Games Control Board, or any payor, shall deduct and withhold from such payments an amount equal to the tax on such payments computed at the highest rate of tax under § 47-1806.03, [§] 47-1807.02, or [§] 47-1808.03, as applicable, in accordance with procedures to be established by the Chief Financial Officer.

(3) Except as provided in paragraph (4) of this subsection, the withholding required by this section shall apply to any of the following payments:

(A) A lump sum payment in the year the payment is made; or

(B) A payment of an annuitized amount in the year the payment is made by any payor to a payee.

(4) The withholding required by this subsection shall not apply to a payment to a nonresident, corporation, partnership, or limited liability company if the individual, shareholder, partner, or member of such entities provides the payor with a statement and documentary evidence, subject to review and approval by the Chief Financial Officer, that the income earned is not subject to District tax.

(m)(1) If a resident payee receives an early distribution from a retirement plan or account retirement account or retirement plan or pursuant to section 3405 of the Internal Revenue Code of 1986 and the payment is subject to mandatory withholding of federal income tax, District tax shall be withheld by the payor of that distribution at the highest District income tax rate as exists at the time of receipt of that distribution.

(2) For the purposes of this subsection, the terms "retirement account" or "retirement plan" mean:

(A) A qualified employee plan;

(B) A qualified employee annuity plan;

(C) A defined contribution plan;

(D) A tax sheltered annuity plan;

(E) A individual retirement account;

(F) Any combination of the plans and account listed in subparagraphs (A) through (E) of this paragraph; or

(G) Any similarly situated plan as defined by the Internal Revenue Code of 1986.

(3) This subsection shall be applicable for periods beginning after December 31, 2011.



(July 16, 1947, 61 Stat. 353, ch. 258, art. I, title XII, § 8; Mar. 31, 1956, 70 Stat. 72-77, ch. 154, § 11; Sept. 6, 1966, 80 Stat. 632, Pub. L. 89-554, § 8(a); Mar. 6, 1979, D.C. Law 2-158, § 4, 25 DCR 7002; Sept. 13, 1980, D.C. Law 3-92, § 502(b), 27 DCR 3390; June 11, 1982, D.C. Law 4-118, § 116, 29 DCR 1770; July 24, 1982, D.C. Law 4-131, §§ 105, 108(c), (d), 29 DCR 2418; June 24, 1987, D.C. Law 7-9, § 2(n), 34 DCR 3283; Oct. 1, 1987, D.C. Law 7-29, § 2(l)(1)-(3), 34 DCR 5097; Sept. 21, 1988, D.C. Law 7-141, § 2(d), (e), 35 DCR 5398; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(y), 48 DCR 334; Mar. 14, 2007, D.C. Law 16-292, § 2(e), 54 DCR 1080; Sept. 12, 2008, D.C. Law 17-231, § 41(m), 55 DCR 6758; Mar. 3, 2010, D.C. Law 18-108, § 2(c), 57 DCR 22; Sept. 24, 2010, D.C. Law 18-223, §§ 7092, 7152, 57 DCR 6242; Sept. 14, 2011, D.C. Law 19-21, §§ )

**Section references.** — This section is referred to in §§ 47-4214, 47-4422, 47-4423, and 47-4491.

**Prior Codifications.** — 1981 Ed., § 47-1812.8.

1973 Ed., § 47-1586g.

**Effect of amendments.** — D.C. Law 13-305 rewrote subsec. (f)(1) which had read:

“(f) Failure to withhold or pay amounts withheld.—(1) Every employer, who fails to withhold or pay to the Mayor any sums required by this section to be withheld and paid, shall be personally and individually liable therefor to the District of Columbia; and any sum or sums withheld in accordance with the provisions of this section shall be deemed to be, and shall be, held in trust by the employer for the District of Columbia.”

D.C. Law 16-292 substituted “husband and wife (or domestic partner who filed under § 47-1805.01(f))” for “husband and wife”.

D.C. Law 17-231 rewrote subsec. (i)(3), which had read as follows: “(3) In the case of a husband and wife (or domestic partner who filed under § 47-1805.01(f)), a single declaration under this section may be made by them jointly, in which case the liability with respect to the estimated tax shall be joint and several. No joint declaration may be made if the husband and wife (or domestic partner who filed under § 47-1805.01(f)) are separated under a decree of divorce or of separate maintenance, or if they have different taxable years. If a joint declaration is made but a joint return is not made for the taxable year, the estimated tax for such year may be treated as the estimated tax of either husband or wife, or may be divided between them.”

D.C. Law 18-108, in subsec. (i)(3), substituted “married individuals” for “a husband and wife” and substituted “the married individuals” for “the husband and wife”.

D.C. Law 18-223 rewrote subsec. (e)(1); added subssecs. (e)(9), (10), and (11); and added subsec. (l). Prior to amendment, subsec. (e)(1)

read as follows: “(1) An employee receiving wages shall on any day be entitled to the withholding exemptions allowed under this chapter.”

D.C. Law 19-21 rewrote subsec. (e)(8); and added subsec. (m).

**Temporary Amendment of Section.** — Section 2 of D.C. Law 18-43 added subsec. (l) to read as follows:

“(l) Withholding from lottery winnings.

“(1) For the purposes of this subsection, the term:

“(A) ‘Constructive receipt’ or ‘constructively received’ means that payments of lottery winnings, although not actually within a taxpayer’s possession, are deemed to be received by the payee and subject to District tax in the taxable year during which the lottery winner is determined by Powerball or other lottery drawing.

“(B) ‘Lottery winnings’ means winnings which are subject to withholding as defined in section 3402(q) of the Internal Revenue Code of 1986, whether as a lump sum or annuitized payment.

“(C) ‘Payment’ means the payment of lottery winnings.

“(D) ‘Payor’ means a person responsible to make a payment subject to withholding under section 3402(q) of the Internal Revenue Code of 1986.

“(2) In making payments, whether actually or constructively received by the payee, of lottery winnings taxable under § 47-1803.02, 47-1807.02, or 47-1808.02, the District of Columbia Lottery and Charitable Games Control Board, or any payor, shall deduct and withhold from such payments an amount equal to the tax on such payments computed at the highest rate of tax under § 47-1806.03, 47-1807.02, or 47-1808.03, as applicable, in accordance with procedures to be established by the Chief Financial Officer.

“(3) Except as provided in paragraph (4) of this subsection, the withholding required by

this section shall apply to any of the following payments:

“(A) A lump sum payment in the year the payment is made; or

“(B) A payment of an annuitized amount in the year the payment is made by any payor to a payee.

“(4) The withholding required by this subsection shall not apply to a payment to a nonresident, corporation, partnership, or limited liability company if the individual, shareholder, partner, or member of such entities provides the payor with a statement and documentary evidence, subject to review and approval by the Chief Financial Officer, that the income earned is not subject to District tax.”.

Section 4(b) of D.C. Law 18-43 provided that the act shall expire after 225 days of its having taken effect.

Section 2 of D.C. Law 18-206 added subsec. (1) to read as follows:

“(1) Withholding from lottery winnings. —

“(1) For the purposes of this subsection, the term:

“(A) ‘Constructive receipt’ or ‘constructively received’ means that payments of lottery winnings, although not actually within a taxpayer’s possession, are deemed to be received by the payee and subject to District tax in the taxable year during which the lottery winner is determined by Powerball or other lottery drawing.

“(B) ‘Lottery winnings’ means winnings which are subject to withholding as defined in section 3402(q) of the Internal Revenue Code of 1986, whether as a lump sum or annuitized payment.

“(C) ‘Payment’ means the payment of lottery winnings.

“(D) ‘Payor’ means a person responsible to make a payment subject to withholding under section 3402(q) of the Internal Revenue Code of 1986.

“(2) In making payments, whether actually or constructively received by the payee, of lottery winnings taxable under § 47-1803.02, 47-1807.02, or 47-1808.02, the District of Columbia Lottery and Charitable Games Control Board, or any payor, shall deduct and withhold from such payments an amount equal to the tax on such payments computed at the highest rate of tax under § 47-1806.03, 47-1807.02, or 47-1808.03, as applicable, in accordance with procedures to be established by the Chief Financial Officer.

“(3) Except as provided in paragraph (4) of this subsection, the withholding required by this section shall apply to any of the following payments:

“(A) A lump sum payment in the year the payment is made; or

“(B) A payment of an annuitized amount in the year the payment is made by any payor to a payee.

“(4) The withholding required by this subsection shall not apply to a payment to a nonresident, corporation, partnership, or limited liability company if the individual, shareholder, partner, or member of such entities provides the payor with a statement and documentary evidence, subject to review and approval by the Chief Financial Officer, that the income earned is not subject to District tax.”.

Section 4(b) of D.C. Law 18-206 provided that the act shall expire after 225 days of its having taken effect.

Section 7 of D.C. Law 19-53, in subsec. (b)(1), added subpar. (E) to read as follows:

“(E) For the method of withholding after December 31, 2011, no allowance for the standard deduction shall be permitted.”; and rewrote subsec. (e)(8) to read as follows:

“(8) For periods beginning after December 31, 2011, an employee shall be entitled to additional withholding exemptions under this subsection with respect to payment of wages equal to a number determined by dividing by the personal exemption provided under § 47-1806.02(i) the excess of:

“(A) His or her estimated itemized deductions; over

“(B) The applicable standard deduction amount specified in § 47-1801.04(26).”.

Section 15(b) of D.C. Law 19-53 provided that the act shall expire after 225 days of its having taken effect.

Section 2 of D.C. Law 19-90, in subsec. (g)(1)(B), deleted the last sentence; and added subsec. (n) to read as follows:

“(n)(1) Beginning for statements due after December 31, 2011, each employer or payor required under this section to withhold income tax for an employee or a person who receives a payment subject to withholding (“payee”) shall prepare a statement for each employee or payee that shows for the previous calendar year any information that the Chief Financial Officer requires by regulation or guidance.

“(2)(A) An employer or payor required to submit the statements pursuant to paragraph (1) of this subsection shall submit one copy of the statement for each employee or payee to the Chief Financial Officer by January 31 of each year.

“(B) Except as provided by subparagraph (C) of this paragraph, if the number of statements that an employer or payor is required to submit is 25 or more, the employer or payor shall submit the statements in an electronic format, as prescribed by the Chief Financial Officer.

“(C) The Chief Financial Officer may waive the requirement that an employer or payor submit statements in electronic format if the Chief Financial Officer determines that the requirement will result in undue hardship to the employer or payor.”.



Section 4(b) of D.C. Law 19-90 provided that the act shall expire after 225 days of its having taken effect.

Section 2 of D.C. Law 19-100, in subsec. (m)(1), substituted "a distribution" for "an early distribution" and substituted "retirement account and the distribution is subject to" for "account retirement account or retirement plan or pursuant to section 3405 of the Internal Revenue Code of 1986 and the payment is subject to mandatory"; and amended subsec. (m)(3) to read as follows:

"(3) This subsection shall apply to distributions made after December 31, 2011."

Section 4(b) of D.C. Law 19-100 provided that the act shall expire after 225 days of its having taken effect.

Section 2 of D.C. Law 19-135 amended subsec. (m) to read as follows:

"(m)(1) Except as provided in paragraph (2) of this subsection, if a resident payee receives a payment from a retirement plan or retirement account that is a lump-sum distribution, District income tax shall be withheld on the lump-sum distribution by the payor at the highest District individual income tax rate that is in effect at the time of the distribution.

"(2) Paragraph (1) of this subsection shall not apply to:

"(A) Any portion of a lump-sum payment that was previously subject to tax;

"(B) An eligible rollover distribution that is effected as a direct trustee to trustee transfer; or

"(C) A rollover from an individual retirement account to a traditional or Roth individual retirement account that is effected as a direct trustee to trustee transfer.

"(3) For the purposes of this subsection, the term:

"(A) 'Lump-sum distribution' means a payment from a payor to a resident payee of the resident payee's entire account balance, exclusive of any other tax withholding and any administrative charges and fees.

"(B) 'Retirement account' or 'retirement plan' means:

"(i) A qualified employee plan;

"(ii) A qualified employee annuity plan;

"(iii) A defined contribution plan;

"(iv) A defined benefit plan;

"(vi) An individual retirement account;

"(vii) Any combination of the plans and account listed in sub-subparagraphs (i) through (vi) of this subparagraph; or

"(viii) Any similarly situated account or plan as defined by the Internal Revenue Code of 1986.

"(4) This subsection shall apply within 5 days of the effective date of the Targeted Retirement Distribution Withholding Emergency Act of 2012, effective February 24, 2012 (D.C. Act 19-316; 59 DCR 1709)."

Section 4(a) of D.C. Law 19-135 provided that the act shall expire after 225 days of its having taken effect.

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 2 of Withholding of Tax on Lottery Winnings Emergency Act of 2009 (D.C. Act 18-71, May 6, 2009, 56 DCR 3799).

For temporary (90 day) amendment of section, see § 2 of Withholding of Tax on Lottery Winnings Congressional Review Emergency Act of 2009 (D.C. Act 18-147, July 28, 2009, 56 DCR 6323).

For temporary (90 day) amendment of section, see § 2 of Withholding of Tax on Lottery Winnings Emergency Act of 2010 (D.C. Act 18-391, May 7, 2010, 57 DCR 4342).

For temporary (90 day) amendment of section, see §§ 7092, 7093, and 7152 of Fiscal Year 2011 Budget Support Emergency Act of 2010 (D.C. Act 18-463, July 2, 2010, 57 DCR 6542).

For temporary (90 day) amendment of section, see § 7 of Revised Fiscal Year 2012 Budget Support Technical Clarification Emergency Amendment Act of 2011 (D.C. Act 19-157, October 4, 2011, 58 DCR 8688).

For temporary (90 day) amendment of section, see § 2 of Income Tax Withholding Statements Electronic Submission Emergency Act of 2011 (D.C. Act 19-226, November 15, 2011, 58 DCR 9934).

For temporary (90 day) amendment of section, see § 2 of Retirement Distribution Withholding Emergency Act of 2011 (D.C. Act 19-265, December 22, 2011, 58 DCR 11242).

For temporary (90 day) amendment of section, see § 2 of Income Tax Withholding Statements Electronic Submission Congressional Review Emergency Act of 2012 (D.C. Act 19-308, February 21, 2012, 59 DCR 1684).

For temporary (90 day) amendment of section, see § 2 of Targeted Retirement Distribution Emergency Act of 2012 (D.C. Act 19-316, February 24, 2012, 59 DCR 1709).

For temporary (90 day) amendment of section, see § 7022 of Fiscal Year 2013 Budget Support Emergency Act of 2012 (D.C. Act 19-383, June 19, 2012, 59 DCR 7764).

For temporary (90 day) amendment of section, see § 7022 of Fiscal Year 2013 Budget Support Congressional Review Emergency Act of 2012 (D.C. Act 19-413, July 25, 2012, 59 DCR 9290).

**Legislative history of Law 2-158.** — For legislative history of D.C. Law 2-158, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 3-92.** — For legislative history of D.C. Law 3-92, see Historical and Statutory Notes following § 47-1803.03.

**Legislative history of Law 4-118.** — For legislative history of D.C. Law 4-118, see His-

torical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 4-131.** — For legislative history of D.C. Law 4-131, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 7-9.** — For legislative history of D.C. Law 7-9, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 7-29.** — For legislative history of D.C. Law 7-29, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 7-141.** — For legislative history of D.C. Law 7-141, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Legislative history of Law 16-292.** — For Law 16-292, see notes following § 47-1801.04.

**Legislative history of Law 17-231.** — For Law 17-231, see notes following § 47-802.

**Legislative history of Law 18-108.** — For Law 18-108, see notes following § 47-1801.04.

**Legislative history of Law 18-223.** — For Law 18-223, see notes following § 47-355.05.

**Legislative history of Law 19-21.** — For history of Law 19-21, see notes under § 47-305.02.

**Short title.** — Short title: Section 7151 of D.C. Law 18-223 provided that subtitle P of title VII of the act may be cited as the “Withholding Tax Compliance Reform Act of 2010”.

Short title: Section 8091 of D.C. Law 19-21 provided that subtitle J of title VIII of the act may be cited as “Standard Deduction Withholding Exclusion Act of 2011”.

Short title: Section 8111 of D.C. Law 19-21 provided that subtitle L of title VIII of the act may be cited as “Withholding Tax on Distributions from Retirement Accounts Act of 2011”.

Short title: Section 7091 of D.C. Law 18-223 provided that subtitle J of title VII of the act may be cited as the “Withholding of Tax on Lottery Winnings Act of 2010”.

**Editor’s notes.** — Section 7093 of D.C. Law 18-223 provided:

“Sec. 7093. Applicability. Section 7092 shall apply as of April 24, 2010.”

Section 8093 of D.C. Law 19-21 provided: “Sec. 8093. Applicability.

“This subtitle shall apply as of January 1, 2012.”

Section 410(e) of D.C. Law 13-305 provided: “Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x) through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001.”

Section 3 of D.C. Law 18-108 provided: “Section 2 shall apply for tax years beginning January 1, 2009.”

## CASE NOTES

### In general.

District of Columbia withholding tax liens did not become “choate” until they were filed, rather than when income taxes became due, and thus, federal tax lien for withholding FICA taxes, which attached when they were assessed, were entitled to priority over District tax liens. 26 U.S.C. §§ 6321, 6323, 6323(a); D.C. Code 1981, §§ 47-1812.8, 47-1812.8(f)(2). In re Davis Perry Enterprises, Inc., 110 B.R. 97, 1989 U.S. Dist. LEXIS 16224 (1989).

District of Columbia had a lien which arose and existed on date District income taxes were withheld or were required to be withheld by

employer, and lien had priority over other claims, such as claim for unpaid rent, even though District had not filed a certificate of delinquent taxes. D.C. Code 1961, §§ 47-312, 47-1406, 47-1586g(f)(2). District of Columbia v. Hechinger Properties Co., 197 A.2d 157, 1964 D.C. App. LEXIS 191 (App. 1964).

Lien for District of Columbia withholding taxes was, without further action being taken, perfected or choate at time when income tax was or should have been withheld. D.C. Code 1961, § 47-1586g(f)(2). District of Columbia v. Hechinger Properties Co., 197 A.2d 157, 1964 D.C. App. LEXIS 191 (App. 1964).

## § 47-1812.09. Lien liability. [Repealed].

Repealed.

(July 16, 1947, 61 Stat. 353, ch. 258, art. I, title XII, § 9; Mar. 6, 1979, D.C. Law 2-158, § 4, 25 DCR 7002; July 24, 1982, D.C. Law 4-131, § 106, 29 DCR 2418; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(z)(2), 48 DCR 334.)



**Prior Codifications.** — 1981 Ed., § 47-1812.9.

1973 Ed., § 47-1586h.

**Legislative history of Law 2-158.** — For legislative history of D.C. Law 2-158, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 4-131.** — For legislative history of D.C. Law 4-131, see His-

torical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Section 410(e) of D.C. Law 13-305 provided: "Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x) through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001."

## § 47-1812.10. Period of limitation upon assessment and collection. [Repealed].

Repealed.

(July 16, 1947, 61 Stat. 354, ch. 258, art. I, title XII, § 10; May 27, 1949, 63 Stat. 132, ch. 146, title IV, § 417; Mar. 6, 1979, D.C. Law 2-158, § 4, 25 DCR 7002; Sept. 28, 1979, D.C. Law 3-21, § 2, 26 DCR 386; June 11, 1982, D.C. Law 4-118, § 117, 29 DCR 1770; Oct. 1, 1987, D.C. Law 7-29, § 2(l)(4), 34 DCR 5097; Apr. 9, 1997, D.C. Law 11-198, § 103(b), 43 DCR 4569; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Mar. 20, 1998, D.C. Law 12-60, § 1601, 44 DCR 7378; Apr. 20, 1999, D.C. Law 12-264, § 52(n), 46 DCR 2118; Apr. 27, 1999, D.C. Law 12-265, § 4, 46 DCR 2096; June 9, 2001, D.C. Law 13-305, § 406(z)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1812.10.

1973 Ed., § 47-1586i.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see 102 of Fiscal Year 1997 Budget Support Temporary Amendment Act of 1996 (D.C. Law 11-226, April 9, 1997, law notification 44 DCR 2584).

For temporary (225 day) amendment of section, see 1601 of Fiscal Year 1998 Revised Budget Support Temporary Act of 1997 (D.C. Law 12-59, March 20, 1998, law notification 45 DCR 2094).

**Emergency legislation.** — For temporary amendment of section, see § 105(b) of the Fiscal Year 1997 Budget Support Emergency Act of 1996 (D.C. Act 11-302, July 25, 1996, 43 DCR 4181), § 102 of the Fiscal Year 1997 Budget Support Emergency Amendment Act of 1996 (D.C. Act 11-429, October 29, 1996, 43 DCR 6151), and § 102 of the Fiscal Year 1997 Budget Support Congressional Adjournment Emergency Amendment Act of 1997 (D.C. Act 12-2, February 19, 1997, 44 DCR 1590).

For temporary amendment of section, see § 301(a) of the Police Officers, Fire Fighters, and Teachers Retirement Benefit Replacement Plan and Fiscal Year 1998 Revised Budget Support Act of 1997 Technical Amendments Emergency Act of 1998 (D.C. Act 12-351, May 20, 1998, 45 DCR 3673) and § 301(a) of the Police Officers, Fire Fighters, and Teachers

Retirement Benefit Replacement Plan and Fiscal Year 1998 Revised Budget Support Act of 1997 Technical Amendments Congressional Review Emergency Amendment Act of 1998 (D.C. Act 12-432, August 6, 1998, 45 DCR 5920).

For temporary amendment of section, see § 1601 of the Fiscal Year 1998 Revised Budget Support Emergency Act of 1997 (D.C. Act 12-152, October 17, 1997, 44 DCR 6196), and see § 1601 of the Fiscal Year 1998 Revised Budget Support Congressional Review Emergency Act of 1997 (D.C. Act 12-239, January 13, 1998, 45 DCR 508).

For temporary (90-day) amendment of section, see § 3 of the Establishment of Council Contract Review Criteria and Budget Support Congressional Review Emergency Amendment Act of 1999 (D.C. Act 13-47, April 6, 1999, 46 DCR 5481).

**Legislative history of Law 2-158.** — For legislative history of D.C. Law 2-158, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 3-21.** — Law 3-21, the "District of Columbia Income and Franchise Tax Statute of Limitations Extension Act of 1979," was introduced in Council and assigned Bill No. 3-132, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 5, 1979 and June 19, 1979, respectively. Signed by the Mayor on July 12, 1979, it was assigned Act No. 3-65 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 4-118.** — For legislative history of D.C. Law 4-118, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 7-29.** — For legislative history of D.C. Law 7-29, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 11-198.** — For legislative history of D.C. Law 11-198, see Historical and Statutory Notes following § 47-1801.07.

**Legislative history of Law 12-60.** — Law 12-60, the "Fiscal Year 1998 Revised Budget Support Act of 1998," was introduced in Council and assigned Bill No. 12-353, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on September 8, 1997, and October 7, 1997, respectively. Signed by the Mayor on October 24, 1997, it was assigned Act No. 12-191 and trans-

mitted to both Houses of Congress for its review. D.C. Law 12-60 became effective on March 20, 1998.

**Legislative history of Law 12-264.** — Law 12-264, the "Technical Amendments Act of 1998," was introduced in Council and assigned Bill No. 12-804, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 10, 1998, and December 1, 1998, respectively. Signed by the Mayor on January 7, 1999, it was assigned Act No. 12-626 and transmitted to both Houses of Congress for its review. D.C. Law 12-264 became effective on April 20, 1999.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Section 410(e) of D.C. Law 13-305 provided: "Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x) through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001."

## § 47-1812.11. Credits and refunds for overpayments. [Repealed].

Repealed.

(July 16, 1947, 61 Stat. 355, ch. 258, art. I, title XII, § 11; May 27, 1949, 63 Stat. 133, ch. 146, title IV, § 418; Mar. 31, 1956, 70 Stat. 78, ch. 154, § 12; July 29, 1970, 84 Stat. 574, Pub. L. 91-358, title I, § 156(f); Mar. 6, 1979, D.C. Law 2-158, § 4, 25 DCR 7002; Sept. 23, 1980, D.C. Law 3-92, § 502(c), 27 DCR 3390; June 11, 1982, D.C. Law 4-118, § 118, 29 DCR 1770; Sept. 18, 1982, D.C. Law 4-154, § 2, 29 DCR 3486; Feb. 24, 1987, D.C. Law 6-166, § 33(g)(1), 33 DCR 6710; Feb. 24, 1987, D.C. Law 6-183, § 2, 33 DCR 7669; Oct. 1, 1987, D.C. Law 7-29, § 2(l)(5), 34 DCR 5097; Sept. 21, 1988, D.C. Law 7-141, § 2(f), 35 DCR 5398; Sept. 24, 1993, D.C. Law 10-15, § 301, 40 DCR 5420; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(z)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1812.11.

1973 Ed., § 47-1586j.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 301 of District of Columbia Unemployment Compensation Comprehensive Improvements Temporary Amendment Act of 1992(D.C. Law 9-260, March 27, 1993, law notification 40 DCR ).

**Legislative history of Law 2-158.** — For legislative history of D.C. Law 2-158, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 3-92.** — For legislative history of D.C. Law 3-92, see Historical and Statutory Notes following § 47-1803.03.

**Legislative history of Law 4-118.** — For

legislative history of D.C. Law 4-118, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 4-154.** — Law 4-154, the "Project Setoff Liability Act of 1982," was introduced in Council and assigned Bill No. 4-243, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 22, 1982 and July 6, 1982, respectively. Signed by the Mayor on July 21, 1982, it was assigned Act No. 4-225 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 6-166.** — For legislative history of D.C. Law 6-166, see Historical and Statutory Notes following § 47-1805.04.

**Legislative history of Law 6-183.** — Law 6-183, the "Set-Off of District of Columbia In-



come Tax Refunds for Default of Student Loans Amendment Act of 1986," was introduced in Council and assigned Bill No. 6-441, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on October 21, 1986 and November 5, 1986, respectively. Signed by the Mayor on November 25, 1986, it was assigned Act No. 6-234 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 7-29.** — For legislative history of D.C. Law 7-29, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 7-141.** — For legislative history of D.C. Law 7-141, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 10-15.** — Law 10-15, the "Unemployment Compensation Comprehensive Improvements Amendment Act of 1993," was introduced in Council and assigned Bill No. 10-52, which was referred to the Committee on Labor. The Bill was adopted on first and second readings on June 1, 1993, and

June 29, 1993, respectively. Signed by the Mayor on July 13, 1993, it was assigned Act No. 10-44 and transmitted to both Houses of Congress for its review. D.C. Law 10-15 became effective on September 24, 1993.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Appropriations authorized for making refunds and for payment of judgments entered against District Government: Section 106 of Pub. L. 104-194, 110 Stat. 2365, the District of Columbia Appropriations Act, 1997, provided that there are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making refunds and for the payment of judgments that have been entered against the District of Columbia government: Provided, that nothing contained in the section shall be construed as modifying or affecting the provisions of (c)(3) of this section.

Section 410(e) of D.C. Law 13-305 provided: "Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x) through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001."

## § 47-1812.11a. Tax check-off. [Repealed].

Repealed.

(July 16, 1947, ch. 258, art. I, title XII, § 11a, as added Mar. 8, 1991, D.C. Law 8-246, § 6, 38 DCR 371; Nov. 20, 1993, D.C. Law 10-56, § 10, 40 DCR 7222; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 20, 1999, D.C. Law 12-236, § 2(c)(2), 46 DCR 660.)

**Prior Codifications.** — 1981 Ed., § 47-1812.11a.

Temporary Repeal of Section For temporary (225 day) repeal of section, see § 2(b) of Drug Prevention and Children at Risk Tax Check-off Temporary Act of 1998 (D.C. Law 12-200, March 26, 1999, law notification 46 DCR 3426).

**Emergency legislation.** — For temporary (90-day) amendment of section, see § 2(c) of the Drug Prevention and Children At-Risk Tax Check-off Congressional Review Emergency Act of 1999 (D.C. Act 13-30, March 15, 1999, 46 DCR 2991).

**Legislative history of Law 8-246.** — Law 8-246, the "District of Columbia Drug Prevention and Children at Risk Tax Check-Off Amendment Act of 1990," was introduced in Council and assigned Bill No. 8-561, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and

second readings on December 4, 1990, and December 18, 1990, respectively. Signed by the Mayor on December 27, 1990, it was assigned Act No. 8-330 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 10-56.** — Law 10-56, the "Child Abuse and Neglect Prevention Children's Trust Fund Act of 1993," was introduced in Council and assigned Bill No. 10-114, which was referred to the Committee on Human Services. The Bill was adopted on first and second readings on July 13, 1993 and September 21, 1993, respectively. Signed by the Mayor on October 1, 1993, it was assigned Act No. 10-109 and transmitted to both Houses of Congress for its review. D.C. Law 10-56 became effective on November 20, 1993.

**Legislative history of Law 12-236.** — For legislative history of D.C. Law 12-236, see Historical and Statutory Notes following § 47-1812.11b.

**§ 47-1812.11b. Public Fund for Drug Prevention and Children at Risk tax check-off.**

(a) For the calendar year beginning January 1, 1995, and for each subsequent calendar year, there shall be provided on the District of Columbia individual income tax return a voluntary check-off that indicates that an individual may contribute a minimum donation or gift of \$1 to the Public Fund for Drug Prevention and Children at Risk established by § 47-4002. The contribution shall reduce any refund owed to the individual taxpayer or increase the tax owed by the individual taxpayer on the taxpayer's tax return. The funds generated from the tax check-off shall be earmarked for the Fund except that any cost incurred by the Mayor in collecting, processing, accounting, or disbursing the funds generated by the tax check-off shall be reimbursed to the Mayor from the funds generated by the tax check-off.

(b) The funds generated by the tax check-off established by subsection (a) of this section shall be transferred to the Fund pursuant to rules issued by the Mayor. The rules shall establish timetables and procedures for transfer. Check-off funds shall be transferred to the Fund only after the costs of the Mayor described in subsection (a) of this section are reimbursed.

(c)(1) Except as provided in paragraph (2) of this subsection, any unpaid District tax liability on an individual income tax return shall render any voluntary tax check-off election void. Any amount paid for the purpose of contributing to the Fund shall be used first to satisfy any unpaid tax liability in whole or in part.

(2) If there is any amount that remains after satisfaction of the unpaid tax liability, the amount shall be transferred to the Fund.

(d) For the purposes of this section, the terms "drug prevention", "children at risk", "Fund", and "tax check-off" shall have the same meaning as the terms have in § 47-4001.

(Apr. 20, 1999, D.C. Law 12-236, § 2(c), 46 DCR 660; Mar. 16, 2005, D.C. Law 15-226, § 202(b), 51 DCR 10539.)

**Cross references.** — Public Fund for Drug Prevention and Children at Risk, funding and allocation, see § 47-4002.

Public Fund for Drug Prevention and Children at Risk, "tax check-off" defined, see § 47-4001.

**Prior Codifications.** — 1981 Ed., § 47-1812.11b.

**Effect of amendments.** — D.C. Law 15-226, in the section name line, substituted "Public Fund for Drug Prevention and Children at Risk tax" for "Tax".

**Temporary Addition of Section.** — For temporary (225 day) amendment of section, see § 2(b) of Drug Prevention and Children at Risk Tax Check-off Temporary Act of 1998 (D.C. Law 12-200, March 26, 1999, law notification 46 DCR 3426).

**Emergency legislation.** — For temporary addition of section, see § 2(b) of the Drug

Prevention and Children at Risk Tax Check-off Emergency Act of 1998 (D.C. Act 12-437, August 7, 1998, 45 DCR 5953), § 2(b) of the Drug Prevention and Children at Risk Tax Check-off Congressional Review Emergency Act of 1998 (D.C. Act 12-522, December 9, 1998, 45 DCR 9179), and § 2(b) of the Drug Prevention and Children at Risk Tax Check-off Congressional Review Emergency Act of 1999 (D.C. Act 13-30, March 15, 1999, 46 DCR 2991).

For temporary (90 day) amendment of section, see § 808 of Child and Youth, Safety And Health Omnibus Emergency Amendment Act of 2002 (D.C. Act 14-310, March 26, 2002, 49 DCR 3420).

**Legislative history of Law 12-236.** — Law 12-236, the "Drug Prevention and Children at Risk Tax Check-off, Tax Initiative Delay, and Attorney License Fee Act of 1998," was introduced in Council and assigned Bill No. 12-706,



which was referred to the Committee on Public Works and the Environment and the Committee on Finance and Review. The Bill was adopted on first and second readings on November 10, 1998, and December 1, 1998, respectively. Signed by the Mayor on December 21, 1998. It was assigned Act No. 12-561 and transmitted to both Houses of Congress for its review. D.C. Law 12-236 became effective on April 20, 1999.

**Legislative history of Law 15-226.** — Law 15-226, the “District of Columbia Statehood

Delegation Fund Commission Establishment and Tax Check-Off Amendment Act of 2004”, was introduced in Council and assigned Bill No. 15-575, which was referred to the Committee on Public Interest. The Bill was adopted on first and second readings on July 13, 2004, and October 5, 2004, respectively. Signed by the Mayor on November 1, 2004, it was assigned Act No. 15-565 and transmitted to both Houses of Congress for its review. D.C. Law 15-226 became effective on March 16, 2005.

## § 47-1812.11c. Statehood Delegation Fund tax check-off.

(a) There shall be provided on the District of Columbia individual income tax return a voluntary check-off that indicates an individual may contribute a minimum donation or gift of \$1 to the Statehood Delegation Fund (“Fund”), established by [§ 1-129.08]. The contribution shall reduce any refund owed to the individual taxpayer or increase the tax owed by the individual taxpayer on the taxpayer’s tax return. The funds generated from the tax check-off shall be earmarked for the Fund except that any cost incurred by the Mayor in collecting, processing, accounting for, or disbursing the funds generated by the tax check-off shall be reimbursed to the Mayor from the funds generated by the tax check-off.

(b) Except as provided in subsection (b-1) of this section, the funds generated by the tax check-off established by subsection (a) of this section shall be transferred to the Fund pursuant to rules issued by the Mayor that establish timetables and procedures for transfer of the funds. Check-off funds shall be transferred to the Fund only after the costs to the Mayor described in subsection (a) of this section have been reimbursed.

(b-1)(1) Until the District of Columbia Statehood Delegation Fund Commission, established by [§ 1-129.02], convenes, the funds generated by the tax check-off shall be deposited in equal amounts in the District of Columbia statehood funds established pursuant to [§ 1-123(g)].

(2) Semiannually, each Representative and Senator shall submit to the Mayor, the Chairman of the Council, and the Chairman of the District of Columbia Board of Election and Ethics an accounting of the expenditures made with the tax check-off funds.

(c)(1) Except as provided in paragraph (2) of this subsection, any unpaid District tax liability on an individual income tax return shall render any voluntary tax check-off election void. Any amount paid for the purpose of contributing to the Fund shall be used first to satisfy any unpaid tax liability, in whole or in part.

(2) If there is any amount that remains after satisfaction of the unpaid tax liability, the amount shall be transferred to the Fund.

(d) If on January 1 of any year that begins 3 years after implementation of the tax check-off, the contributions for the previous taxable year fall below \$25,000, this section shall expire.

(Mar. 16, 2005, D.C. Law 15-226, § 202(c), 51 DCR 10539; Aug. 16, 2008, D.C. Law 17-219, § 7105, 55 DCR 7598.)

**Effect of amendments.** — D.C. Law 17-219, in subsec. (b), inserted “Except as provided in subsection (b-1) of this section,”; and added subsec. (b-1).

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see § 831 of Child and Youth, Safety and Health Omnibus Temporary Amendment Act of 2002 (D.C. Law 14-164, June 25, 2002, law notification 49 DCR 6500).

For temporary (225 day) addition of section, see § 831 of Child and Youth, Safety and Health Omnibus Temporary Amendment Act of 2003 (D.C. Law 15-2, May 3, 2003, law notification 50 DCR 3782).

For temporary (225 day) addition of section, see § 831 of Child and Youth, Safety and Health Omnibus Temporary Amendment Act of 2004 (D.C. Law 15-117, March 30, 2004, law notification 51 DCR 3804).

**Emergency legislation.** — For temporary (90 day) addition of § 47-1812.11c, see § 831 of Child and Youth, Safety and Health Omnibus Emergency Amendment Act of 2003 (D.C. Act 15-3, January 22, 2003, 50 DCR 1426).

For temporary (90 day) addition of section, see § 831 of Child and Youth, Safety and

Health Omnibus Congressional Review Emergency Amendment Act of 2003 (D.C. Act 15-71, April 16, 2003, 50 DCR 3593).

For temporary (90 day) addition of section, see § 831 of Child and Youth, Safety and Health Omnibus Second Emergency Amendment Act of 2003 (D.C. Act 15-279, December 18, 2003, 51 DCR 60).

For temporary (90 day) addition of section, see § 831 of Child and Youth, Safety and Health Omnibus Congressional Review Emergency Amendment Act of 2004 (D.C. Act 15-407, March 18, 2004, 51 DCR 3659).

For temporary (90 day) amendment of section, see § 2 of District of Columbia Statehood Delegation Fund Tax Check-off Emergency Act of 2008 (D.C. Act 17-349, April 14, 2008, 55 DCR 5362).

**Legislative history of Law 15-226.** — For Law 15-226, see notes following § 47-1812.11b.

**Legislative history of Law 17-219.** — For Law 17-219, see notes following § 47-318.05a.

**Short title.** — Short title: Section 7104 of D.C. Law 17-219 provided that subtitle K of title VII of the act may be cited as the “District of Columbia Statehood Delegation Fund Tax Check-off Act of 2008”.

## § 47-1812.11d. Anacostia River Clean Up and Protection Fund tax check-off.

(a) For the 2009 tax year, and for each subsequent tax year, there shall be provided on the District individual income tax return a voluntary check-off that indicates that an individual may contribute a minimum donation or gift of \$1 to the Anacostia River Clean Up and Protection Fund (“Fund”) established by [§ 8-102.05(a)]. The contribution shall reduce any refund owed to the individual taxpayer or increase the tax owed by the individual taxpayer on the taxpayer’s tax return. The funds generated from the tax check-off shall be deposited in the Fund, except that any cost incurred by the Mayor in collecting, processing, accounting, or disbursing the funds generated by the tax check-off shall be reimbursed to the Mayor from the funds generated by the tax check-off.

(b)(1) Except as provided in paragraph (2) of this subsection, any unpaid District tax liability on an individual income tax return shall render any voluntary tax check-off election void. Any amount paid for the purpose of contributing to the Fund shall be used first to satisfy any unpaid tax liability in whole or in part.

(2) If there is any amount that remains after satisfaction of the unpaid tax liability, the amount shall be deposited in the Fund.

(c) The Mayor shall include with the individual tax return package a description of the purposes for which the Fund was established and projects for which the Fund may be used.

(Sept. 23, 2009, D.C. Law 18-55, § 9(a)(3), 56 DCR 5703.)



**Legislative history of Law 18-55.** — For Law 18-55, see notes following § 47-1803.02.

## § 47-1812.12. Closing agreements. [Repealed].

Repealed.

(July 16, 1947, 61 Stat. 355, ch. 258, art. I, title XII, § 12; Mar. 6, 1979, D.C. Law 2-158, § 4, 25 DCR 7002; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(aa)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1812.12.

1973 Ed., § 47-1586k.

**Legislative history of Law 2-158.** — For legislative history of D.C. Law 2-158, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Section 410(e) of D.C. Law 13-305 provided: "Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x) through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001."

## § 47-1812.13. Compromises. [Repealed].

Repealed.

(July 16, 1947, 61 Stat. 355, ch. 258, art. I, title XII, § 13; July 8, 1963, 77 Stat. 77, Pub. L. 88-60, § 1; July 29, 1970, 84 Stat. 570, Pub. L. 91-358, title I, § 155(a); Mar. 6, 1979, D.C. Law 2-158, § 4, 25 DCR 7002; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(aa)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1812.13.

1973 Ed., § 47-1586l.

**Legislative history of Law 2-158.** — For legislative history of D.C. Law 2-158, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Section 410(e) of D.C. Law 13-305 provided: "Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x) through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001."

## § 47-1812.14. Declaration of estimated tax by corporations, financial institutions, and unincorporated businesses.

Every corporation, financial institution, and unincorporated business required to make and file a franchise tax return under this chapter shall make and file a declaration of estimated tax at the time and under the conditions, and shall make payments of the tax year in the amount and under the conditions, as the Mayor shall prescribe by regulation. In the case of the taxable year beginning in 1970, the regulations may not require the payment before the last day on which a return for the taxable year is required to be filed under § 47-1805.03(a) of estimated tax for the year exceeding  $\frac{1}{2}$  of the estimated tax; provided, that in the case of financial institutions, the provisions of this section shall be subject to § 47-2507(a)(3) and to § 47-2507(b)(3).

(July 16, 1947, 61 Stat. 356, ch. 258, art. I, title XII, § 14; Oct. 31, 1969, 83 Stat. 177, Pub. L. 91-106, title V, § 603(a); Oct. 21, 1975, D.C. Law 1-23, title

VI, § 608, 22 DCR 2114; Sept. 13, 1980, D.C. Law 3-92, § 502(d), 27 DCR 3390; Sept. 13, 1980, D.C. Law 3-95, § 107, 27 DCR 3509; July 24, 1982, D.C. Law 4-130, § 2, 29 DCR 2412; Sept. 26, 1984, D.C. Law 5-113, § 302(c), 31 DCR 3974; Mar. 14, 1985, D.C. Law 5-159, § 24, 32 DCR 30; Feb. 28, 1987, D.C. Law 6-209, § 404(a), 34 DCR 689; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(bb), 48 DCR 334.)

**Cross references.** — Financial institution taxes, transitional taxation procedures, see § 47-2507.

Tax delinquencies, imposition of interest, applicability to estimated income tax, see § 47-4201.

Tax delinquencies, substantial understatement penalties, applicability to estimated income tax, see § 47-4201.

**Prior Codifications.** — 1981 Ed., § 47-1812.14.

1973 Ed., § 47-15861-1.

**Effect of amendments.** — D.C. Law 13-305 rewrote the section which had read:

“(a) Declaration and payment.—Every corporation, financial institution, and unincorporated business required to make and file a franchise tax return under this chapter shall make and file a declaration of estimated tax at such time or times and under such conditions, and shall make payments of such tax during its taxable year in such amounts and under such conditions, as the Mayor of the District of Columbia shall by regulations prescribe. In the case of the taxable year beginning in 1970, such regulations may not require payment before the last day on which a return for such taxable year is required to be filed under § 47-1805.03(a) of an aggregate amount of estimated tax for such year in excess of one-half of such estimated tax; provided, however, that in the case of financial institutions, the provisions of this section shall be subject to § 47-2507(a)(3) and to § 47-2507(b)(3).

“(b) Underpayment. —

“(1)(A) Addition to tax.—In case of any underpayment of estimated tax by a corporation, financial institution, or an unincorporated business, there shall be added to the tax for the taxable year an amount determined at the rate of 1 and ½% per month upon the amount of the underpayment (determined under subparagraph (B) of this paragraph) for the period of the underpayment (determined under subparagraphs (C) and (D) of this paragraph).

“(B) Amount of underpayment.—For purposes of subparagraph (A) of this paragraph, the amount of the underpayment shall be the excess of:

“(i) For purposes of subparagraph (A) of this paragraph, the amount of the underpayment shall be the excess of:

“(I) The amount of the installment which would be required to be paid if the estimated

tax were equal to 90% of the tax shown on the return for the taxable year or, if no return was filed, 90% of the tax for such year; over

“(II) The amount, if any, of the installment paid on or before the last date prescribed for payment.

“(ii) Every financial institution required to file a gross earnings tax return and a franchise tax return during the 3-year transition period described in § 47-2507(b)(2) shall calculate the amount of underpayment for each such taxable year in accordance with § 47-2507(b)(3)(B).

“(C) Period of underpayment.—(i) The period of the underpayment shall run from the date the installment was required to be paid to whichever of the following dates is the earlier:

“(I) The 15th day of the 4th month following the close of the taxable year; or

“(II) With respect to any portion of the underpayment, the date on which such portion is paid.

“(ii) Every financial institution required to file a gross earnings tax return and a franchise tax return for the 3-year transition period described in § 47-2507(b)(2) shall calculate the amount of underpayment for each such taxable year in accordance with § 47-2507(b)(3)(B).

“(2) For purposes of subparagraphs (C) and (D) of paragraph (1) of this subsection, a payment of estimated tax on any installment date shall be considered a payment of any previous underpayment only to the extent such payment exceeds the amount of the installment determined under paragraph (1)(B)(i) of this subsection for such installment date.

“(c) Overpayment.—Overpayment resulting from the payment of estimated tax for a taxable year in excess of the amount determined to be due upon the filing of a franchise tax return for such taxable year may be credited against the amount of estimated tax determined to be due on any declaration filed for the next succeeding taxable year or for any deficiency or nonpayment of tax for any previous taxable year. No refund shall be made of any estimated tax paid unless a complete return is filed.”

**Legislative history of Law 1-23.** — For legislative history of D.C. Law 1-23, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 3-92.** — For legislative history of D.C. Law 3-92, see Historical and Statutory Notes following § 47-1803.03.



**Legislative history of Law 3-95.** — For legislative history of D.C. Law 3-95, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 4-130.** — For legislative history of D.C. Law 4-130, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 5-113.** — For legislative history of D.C. Law 5-113, see Historical and Statutory Notes following § 47-1807.01.

**Legislative history of Law 5-159.** — Law 5-159, the “End of Session Technical Amendments Act of 1984,” was introduced in Council and assigned Bill No. 5-540, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 20, 1984 and December 4, 1984, respectively. Signed by the Mayor on December 10, 1984, it was assigned Act No. 5-224 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 6-209.** — Law

6-209, the “Tax Amnesty Act of 1986,” was introduced in Council and assigned Bill No. 6-398, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 25, 1986 and December 16, 1986 respectively. Signed by the Mayor on January 8, 1987, it was assigned Act No. 6-269 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Effective date.** — Section 601(b) of D.C. Law 6-209 provided that title III and sections 401, 402, 404, 405 and 406 of the act shall take effect on October 1, 1987.

**Editor’s notes.** — Mayor authorized to issue rules: See second paragraph of note to § 47-2601.

Section 410(d) of D.C. Law 13-305 provided: “Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000.”

## § 47-1812.15. “Person” defined. [Repealed].

Repealed.

(July 16, 1947, 61 Stat. 356, ch. 258, art. I, title XII, § 14; Oct. 31, 1969, 83 Stat. 177, Pub. L. 91-106, title VI, § 603(a); Sept. 13, 1980, D.C. Law 3-95, § 108, 27 DCR 3509; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(cc)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1812.15.

1973 Ed., § 47-1586m.

**Legislative history of Law 3-95.** — For legislative history of D.C. Law 3-95, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor’s notes.** — Section 410(e) of D.C. Law 13-305 provided: “Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x) through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001.”

## § 47-1812.16. Collection by Mayor. [Repealed].

Repealed.

(July 16, 1947, 61 Stat. 356, ch. 258, art. I, title XII, § 15; Oct. 31, 1969, 83 Stat. 177, Pub. L. 91-106, title VI, § 603(a); Mar. 6, 1979, D.C. Law 2-158, § 4, 25 DCR 7002; Sept. 21, 1988, D.C. Law 7-141, § 2(g), 35 DCR 5398; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(cc)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1812.16.

1973 Ed., § 47-1586n.

**Legislative history of Law 2-158.** — For

legislative history of D.C. Law 2-158, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 7-141.** — For

legislative history of D.C. Law 7-141, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Section 410(e) of D.C. Law 13-305 provided: "Section 406(b), (d), (f), (l), (n), (o), (r), (v), (x) through (aa), (cc), (ff), (gg), (ll), (pp), (vv), (ww), (aaa), (ccc), (eee), and (ggg) shall apply as of January 1, 2001."

## § 47-1812.17. Furnishing copy of federal return.

For the purpose of determining the liability of any person under this chapter and the extent of such liability, the Mayor may require the taxpayer to furnish the District with a true and correct copy of such person's federal income tax return, and a copy of any federal partnership return with respect to any or all partnerships in which the taxpayer has a proprietary interest, for any taxable year, and a reconciliation of such return with the taxpayer's District return for such taxable year.

(June 11, 1982, D.C. Law 4-118, § 202, 29 DCR 1770; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1812.17.

**Legislative history of Law 4-118.** — For

legislative history of D.C. Law 4-118, see Historical and Statutory Notes following § 47-1801.01a.

### *Subchapter XIII. Penalties and Interest.*

## § 47-1813.01. Additions to tax — Delinquencies. [Repealed].

Repealed.

(July 16, 1947, 61 Stat. 356, ch. 258, art. I, title XIII, § 1; Mar. 31, 1956, 70 Stat. 79, ch. 154, § 13; Aug. 2, 1968, 82 Stat. 612, Pub. L. 90-450, title II, § 203(b); 1973, Ed., § 47-1589; Oct. 21, 1975, D.C. Law 1-23, title VI, § 607, 22 DCR 2113; Mar. 6, 1979, D.C. Law 2-158, § 4, 25 DCR 7002; Sept. 13, 1980, D.C. Law 3-92, § 503(a), 27 DCR 3390; July 24, 1982, D.C. Law 4-131, § 108(a), (b), 29 DCR 2418; Sept. 26, 1984, D.C. Law 5-113, § 302(d), 31 DCR 3974; Feb. 28, 1987, D.C. Law 6-209, § 404(b), 34 DCR 689; Oct. 1, 1987, D.C. Law 7-29, § 2(m), 34 DCR 5097; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(dd)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1813.1.

**Legislative history of Law 1-23.** — For legislative history of D.C. Law 1-23, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 2-158.** — For legislative history of D.C. Law 2-158, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 3-92.** — For legislative history of D.C. Law 3-92, see Historical and Statutory Notes following § 47-1803.03.

**Legislative history of Law 4-131.** — For

legislative history of D.C. Law 4-131, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 5-113.** — For legislative history of D.C. Law 5-113, see Historical and Statutory Notes following § 47-1807.01.

**Legislative history of Law 6-209.** — For legislative history of D.C. Law 6-209, see Historical and Statutory Notes following § 47-1812.14.

**Legislative history of Law 7-29.** — For legislative history of D.C. Law 7-29, see Historical and Statutory Notes following § 47-1801.01a.



**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Effective date.** — Section 601(b) of D.C. Law 6-209 provided that title III and sections 401, 402, 404, 405 and 406 of the act shall take effect on October 1, 1987.

**Editor's notes.** — Mayor authorized to issue rules: See second paragraph of note to § 47-2601.

Section 410(d) of D.C. Law 13-305 provided: "Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000."

## § 47-1813.02. Additions to tax — Interest on deficiencies. [Repealed].

Repealed.

(July 16, 1947, 61 Stat. 356, ch. 258, art. I, title XIII, § 2; Mar. 31, 1956, 70 Stat. 79, ch. 154, § 14; Oct. 21, 1975, D.C. Law 1-23, title VI, § 606, 22 DCR 2113; Mar. 6, 1979, D.C. Law 2-158, § 4, 25 DCR 7002; Sept. 13, 1980, D.C. Law 3-92, § 503(b), 27 DCR 3390; Feb. 28, 1987, D.C. Law 6-209, § 404(c), 34 DCR 689; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(dd)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1813.2.

1973 Ed., § 47-1589a.

**Legislative history of Law 1-23.** — For legislative history of D.C. Law 1-23, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 2-158.** — For legislative history of D.C. Law 2-158, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 3-92.** — For legislative history of D.C. Law 3-92, see Historical and Statutory Notes following § 47-1803.03.

**Legislative history of Law 6-209.** — For

legislative history of D.C. Law 6-209, see Historical and Statutory Notes following § 47-1812.14.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Effective date.** — Section 601(b) of D.C. Law 6-209 provided that title III and sections 401, 402, 404, 405 and 406 of the act shall take effect on October 1, 1987.

**Editor's notes.** — Section 410(d) of D.C. Law 13-305 provided: "Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000."

## § 47-1813.03. Additions to tax — Fraud. [Repealed].

Repealed.

(July 16, 1947, 61 Stat. 356, ch. 258, art. I, title XIII, § 3; Feb. 28, 1987, D.C. Law 6-209, § 404(d), 34 DCR 689; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(dd)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1813.3.

1973 Ed., § 47-1589b.

**Legislative history of Law 6-209.** — For legislative history of D.C. Law 6-209, see Historical and Statutory Notes following § 47-1812.14.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Effective date.** — Section 601(b) of D.C.

Law 6-209 provided that title III and sections 401, 402, 404, 405 and 406 of the act shall take effect on October 1, 1987.

**Editor's notes.** — Section 410(d) of D.C. Law 13-305 provided: "Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000."

**§ 47-1813.04. Additions to tax — Nonpayments. [Repealed].**

Repealed.

(July 16, 1947, 61 Stat. 357, ch. 258, art. I, title XIII, § 4; Mar. 31, 1956, 70 Stat. 79, ch. 154, § 14; Oct. 21, 1975, D.C. Law 1-23, title VI, § 606, 22 DCR 2113; Sept. 13, 1980, D.C. Law 3-92, § 503(c), 27 DCR 3390; Feb. 28, 1987, D.C. Law 6-209, § 404(e), 34 DCR 689; Sept. 21, 1988, D.C. Law 7-141, § 2(k), 35 DCR 5398; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Mar. 24, 1998, D.C. Law 12-81, § 59(f), 45 DCR 745; June 9, 2001, D.C. Law 13-305, § 406(dd)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1813.4.

1973 Ed., § 47-1589c.

**Legislative history of Law 1-23.** — For legislative history of D.C. Law 1-23, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 3-92.** — For legislative history of D.C. Law 3-92, see Historical and Statutory Notes following § 47-1803.03.

**Legislative history of Law 6-209.** — For legislative history of D.C. Law 6-209, see Historical and Statutory Notes following § 47-1812.14.

**Legislative history of Law 7-141.** — For legislative history of D.C. Law 7-141, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 12-81.** — Law 12-81, the "Technical Amendments Act of 1998,"

was introduced in Council and assigned Bill No. 12-408, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on November 4, 1997, and December 4, 1997, respectively. Signed by the Mayor on December 22, 1997, it was assigned Act No. 12-246 and transmitted to both Houses of Congress for its review. D.C. Law 12-81 became effective on March 24, 1998.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Effective date.** — Section 601(b) of D.C. Law 6-209 provided that title III and sections 401, 402, 404, 405 and 406 of the act shall take effect on October 1, 1987.

**Editor's notes.** — Section 410(d) of D.C. Law 13-305 provided: "Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000."

**§ 47-1813.05. Additions to tax — Payment extensions. [Repealed].**

Repealed.

(July 16, 1947, 61 Stat. 357, ch. 258, art. I, title XIII, § 5; Mar. 31, 1956, 70 Stat. 79, ch. 154, § 14; Oct. 21, 1975, D.C. Law 1-23, title VI, § 606, 22 DCR 2113; Sept. 13, 1980, D.C. Law 3-92, § 503(d), 27 DCR 3390; Sept. 21, 1988, D.C. Law 7-141, § 2(i), 35 DCR 5398; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(dd)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1813.5.

1973 Ed., § 47-1589d.

**Legislative history of Law 1-23.** — For legislative history of D.C. Law 1-23, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 3-92.** — For legislative history of D.C. Law 3-92, see Historical and Statutory Notes following § 47-1803.03.

ical and Statutory Notes following § 47-1803.03.

**Legislative history of Law 7-141.** — For legislative history of D.C. Law 7-141, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Section 410(d) of D.C.



Law 13-305 provided: "Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy),

(zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000."

## § 47-1813.06. Violations. [Repealed].

Repealed.

(July 16, 1947, 61 Stat. 357, ch. 258, art. I, title XIII, § 6; July 8, 1963, 77 Stat. 77, Pub. L. 88-60, § 1; July 29, 1970, 84 Stat. 570, Pub. L. 91-358, title I, § 155(a); Apr. 19, 1977, D.C. Law 1-124, title IV, § 401(e), 23 DCR 8749; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Oct. 4, 2000, D.C. Law 13-204, § 2(c), 47 DCR 5799.)

**Prior Codifications.** — 1981 Ed., § 47-1813.6.

1973 Ed., § 47-1589e.

**Legislative history of Law 1-124.** — For legislative history of D.C. Law 1-124, see Historical and Statutory Notes following § 47-1803.02.

**Legislative history of Law 13-204.** — Law 13-204, the "Criminal Tax Reorganization Act

of 2000", was introduced in Council and assigned Bill No. 13-299, which was referred to the Committee on the Judiciary. The Bill was adopted on first and second readings on May 3, 2000, and June 6, 2000, respectively. Signed by the Mayor on June 22, 2000, it was assigned Act No. 13-359 and transmitted to both Houses of Congress for its review. D.C. Law 13-204 became effective on October 4, 2000.

## § 47-1813.07. Application of subchapter. [Repealed].

Repealed.

(Sept. 13, 1980, D.C. Law 3-92, § 504, 27 DCR 3390; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 9, 2001, D.C. Law 13-305, § 406(ee)(2), 48 DCR 334.)

**Prior Codifications.** — 1981 Ed., § 47-1813.7.

**Legislative history of Law 3-92.** — For legislative history of D.C. Law 3-92, see Historical and Statutory Notes following § 47-1803.03.

**Legislative history of Law 13-305.** — For Law 13-305, see notes under § 47-901.

**Editor's notes.** — Section 410(d) of D.C. Law 13-305 provided: "Section 406(a), (c), (j), (m), (p), (q), (s), (w), (bb), (dd), (ee), (hh) through (kk), (mm) through (oo), (qq) through (uu), (yy), (zz), (bbb), (ddd), and (fff) shall apply for all tax years or taxable periods beginning after December 31, 2000."

## *Subchapter XIV. Licenses.*

## § 47-1814.01. Requirement for a professional license. [Repealed].

Repealed.

(July 16, 1947, 61 Stat. 357, ch. 258, art. I, title XIV, § 1; May 27, 1949, 63 Stat. 133, ch. 146, title IV, § 419; Mar. 31, 1956, 70 Stat. 79, ch. 154, § 15; Sept. 4, 1957, 71 Stat. 606, Pub. L. 85-281, § 7; Oct. 31, 1969, 83 Stat. 179, Pub. L. 91-106, title VI, § 604(b)(1); 1973 Ed., § 47-1591; Apr. 19, 1977, D.C. Law 1-124, title IV, § 401(f), 23 DCR 8749; Mar. 6, 1979, D.C. Law 2-158, § 4, 25 DCR 7002; June 22, 1983, D.C. Law 5-14, § 904, 30 DCR 2632; Sept. 10, 1992, D.C. Law 9-145, § 103(a), 39 DCR 4895; enacted, Apr. 9, 1997, D.C. Law

11-254, § 2, 44 DCR 1575; Apr. 20, 1999, D.C. Law 12-261, § 1243(b), 46 DCR 3142.)

**Prior Codifications.** — 1981 Ed., § 47-1814.1.

1973 Ed., § 47-1591.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 107(a) of Omnibus Budget Support Temporary Act of 1992 (D.C. Law 9-134, July 23, 1992, law notification 39 DCR 5815).

**Legislative history of Law 1-124.** — For legislative history of D.C. Law 1-124, see Historical and Statutory Notes following § 47-1803.02.

**Legislative history of Law 2-158.** — For legislative history of D.C. Law 2-158, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 5-14.** — For legislative history of D.C. Law 5-14, see Historical and Statutory Notes following § 47-1807.02.

**Legislative history of Law 9-145.** — For legislative history of D.C. Law 9-145, see His-

torical and Statutory Notes following § 47-1814.01a.

**Legislative history of Law 12-261.** — Law 12-261, the “Second Omnibus Regulatory Reform Amendment Act of 1998,” was introduced in Council and assigned Bill No. 12-845, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on December 1, 1998, and December 15, 1998, respectively. Signed by the Mayor on December 31, 1998, it was assigned Act No. 12-615 and transmitted to both Houses of Congress for its review. D.C. Law 12-261 became effective on April 20, 1999.

**Delegation of Authority.** — Delegation of authority under Law 5-14, see Mayor’s Order 83-190, July 25, 1983.

**Editor’s notes.** — Mayor authorized to issue rules: Section 1102 of D.C. Law 5-14 provided that the Mayor shall issue rules necessary to carry out the provisions of the act.

## § 47-1814.01a. Persons engaging in a profession. [Repealed].

Repealed.

(June 16, 1947, ch. 258, art. I, title XIV, § 1a, as added Sept. 10, 1992, D.C. Law 9-145, § 103(b), 39 DCR 4895; Oct. 7, 1992, D.C. Law 9-177, § 9, 39 DCR 5868; Sept. 30, 1993, D.C. Law 10-25, § 110, 40 DCR 5489; Feb. 5, 1994, D.C. Law 10-68, § 45, 40 DCR 6311; Sept. 24, 1994, D.C. Law 10-179, § 2, 41 DCR 5210; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 20, 1999, D.C. Law 12-261, § 1243(b), 46 DCR 3142.)

**Prior Codifications.** — 1981 Ed., § 47-1814.1a.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 107(b) of Omnibus Budget Support Temporary Act of 1992 (D.C. Law 9-134, July 23, 1992, law notification 39 DCR 5815).

For temporary (225 day) amendment of section, see § 110 of Omnibus Budget Support Temporary Act of 1993 (D.C. Law 10-11, August 6, 1993, law notification 40 DCR 6213).

**Legislative history of Law 9-145.** — Law 9-145, the “Omnibus Budget Support Act of 1992,” was introduced in Council and assigned Bill No. 9-222, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on May 12, 1992, and June 2, 1992, respectively. Approved without the signature of the Mayor on June 22, 1992, it was assigned Act No. 9-225 and transmitted to both Houses of Congress for its review. D.C.

Law 9-145 became effective on September 10, 1992.

**Legislative history of Law 9-177.** — Law 9-177, the “Real Property Tax Rates for the Tax Year 1993 and Real Property Tax Revision and Reclassification Amendment Act of 1992,” was introduced in Council and assigned Bill No. 9-563, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on June 23, 1992, and July 7, 1992, respectively. Signed by the Mayor on July 28, 1992, it was assigned Act No. 9-283 and transmitted to both Houses of Congress for its review. D.C. Law 9-177 became effective on October 7, 1992.

**Legislative history of Law 10-25.** — Law 10-25, the “Omnibus Budget Support Act of 1993,” was introduced in Council and assigned Bill No. 10-165, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on June 1, 1993,



and June 29, 1993, respectively. Signed by the Mayor on July 16, 1993, it was assigned Act No. 10-57 and transmitted to both Houses of Congress for its review. D.C. Law 10-25 became effective on September 30, 1993.

**Legislative history of Law 10-68.** — Law 10-68, the “Technical Amendments Act of 1993,” was introduced in Council and assigned Bill No. 10-166, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on June 29, 1993, and July 13, 1993, respectively. Signed by the Mayor on August 23, 1993, it was assigned Act No. 10-107 and transmitted to both Houses of Congress for its review. D.C. Law 10-68 became effective on February 5, 1994.

**Legislative history of Law 10-179.** — Law

10-179, the “Professional License Fee Amendment Act of 1994,” was introduced in Council and assigned Bill No. 10-83, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on June 21, 1994, and July 5, 1994, respectively. Signed by the Mayor on July 26, 1994, it was assigned Act No. 10-304 and transmitted to both Houses of Congress for its review. D.C. Law 10-179 became effective on September 24, 1994.

**Legislative history of Law 12-261.** — For legislative history of D.C. Law 12-261, see Historical and Statutory Notes following § 47-1814.01a.

**Editor’s notes.** — D.C. Law 12-236, effective April 17, 1999, had amended § 47-1814.01a.

## § 47-1814.02. Persons engaging in a profession — Duration. [Repealed].

Repealed.

(July 16, 1947, 61 Stat. 358, ch. 258, art. I, title XIV, § 2; Mar. 31, 1956, 70 Stat. 80, ch. 154, § 16; 1973 Ed., § 47-1591a; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 20, 1999, D.C. Law 12-261, § 1243(b), 46 DCR 3142.)

**Prior Codifications.** — 1981 Ed., § 47-1814.2.

1973 Ed., § 47-1591a.

**Legislative history of Law 12-261.** — For

legislative history of D.C. Law 12-261, see Historical and Statutory Notes following § 47-1814.01.

## § 47-1814.03. Persons engaging in a profession — Posting for inspection. [Repealed].

Repealed.

(July 16, 1947, 61 Stat. 358, ch. 258, art. I, title XIV, § 3; Mar. 31, 1956, 70 Stat. 80, ch. 154, § 17; 1973 Ed., § 47-1591b; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 20, 1999, D.C. Law 12-261, § 1243(b), 46 DCR 3142.)

**Prior Codifications.** — 1981 Ed., § 47-1814.3.

1973 Ed., § 47-1591b.

**Legislative history of Law 12-261.** — For

legislative history of D.C. Law 12-261, see Historical and Statutory Notes following § 47-1814.01.

## § 47-1814.04. Persons engaging in a profession — Revocation. [Repealed].

Repealed.

(July 16, 1947, 61 Stat. 358, ch. 258, art. I, title XIV, § 5; 1973 Ed., § 103(c), 39 DCR 47-1591d; Mar. 6, 1979, D.C. Law 2-158, § 4, 25 DCR 7002; Sept. 10, 1992, D.C. Law 9-145, § 103(c), 39 DCR 4895; enacted, Apr. 9, 1997, D.C. Law

11-254, § 2, 44 DCR 1575; Apr. 20, 1999, D.C. Law 12-261, § 1243(b), 46 DCR 3142.)

**Prior Codifications.** — 1981 Ed., § 47-1814.4.

1973 Ed., § 103(c), 39 DCR 47-1591d.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 107(c) of Omnibus Budget Support Temporary Act of 1992 (D.C. Law 9-134, July 23, 1992, law notification 39 DCR 5815).

**Legislative history of Law 2-158.** — For legislative history of D.C. Law 2-158, see His-

torical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 9-145.** — For legislative history of D.C. Law 9-145, see Historical and Statutory Notes following § 47-1814.01a.

**Legislative history of Law 12-261.** — For legislative history of D.C. Law 12-261, see Historical and Statutory Notes following § 47-1814.01.

## § 47-1814.05. Persons engaging in a profession — Repealed. [Repealed].

Repealed.

(July 16, 1947, 61 Stat. 358, ch. 258, art. I, title XIV, § 6; 1973 Ed., § 47-1591e; Mar. 6, 1979, D.C. Law 2-158, § 4, 25 DCR 7002; Sept. 10, 1992, D.C. Law 9-145, § 103(d), 39 DCR 4895; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 20, 1999, D.C. Law 12-261, § 1243(b), 46 DCR 3142.)

**Prior Codifications.** — 1981 Ed., § 47-1814.5.

1973 Ed., § 47-1591e.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 107(d) of Omnibus Budget Support Temporary Act of 1992 (D.C. Law 9-134, July 23, 1992, law notification 39 DCR 5815).

**Legislative history of Law 2-158.** — For legislative history of D.C. Law 2-158, see Historical and Statutory Notes following § 47-1801.04.

**Legislative history of Law 9-134.** — For legislative history of D.C. Law 9-134, see Historical and Statutory Notes following § 47-1814.01a.

**Legislative history of Law 9-145.** — For legislative history of D.C. Law 9-145, see Historical and Statutory Notes following § 47-1814.01a.

**Legislative history of Law 12-261.** — For legislative history of D.C. Law 12-261, see Historical and Statutory Notes following § 47-1814.01.

## § 47-1814.06. Persons engaging in a profession — Failure to obtain. [Repealed].

Repealed.

(July 16, 1947, 61 Stat. 358, ch. 258, art. I, title XIV, § 7; Mar. 31, 1956, 70 Stat. 80, ch. 154, § 18; July 8, 1963, 77 Stat. 77, Pub. L. 88-60, § 1; Oct. 31, 1969, 83 Stat. 179, Pub. L. 91-106, § 604(b)(2); July 29, 1970, 84 Stat. 570, Pub. L. 91-358, title I, § 155(a); 1973 Ed., § 47-1591f; Sept. 10, 1992, D.C. Law 9-145, § 103(e), 39 DCR 4895; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 20, 1999, D.C. Law 12-261, § 1243(b), 46 DCR 3142.)

**Prior Codifications.** — 1981 Ed., § 47-1814.6.

1973 Ed., § 47-1591f.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 107(d) of Omnibus Budget Support Tem-

porary Act of 1992 (D.C. Law 9-134, July 23, 1992, law notification 39 DCR 5815).

**Legislative history of Law 9-145.** — For legislative history of D.C. Law 9-145, see Historical and Statutory Notes following § 47-1814.01a.



**Legislative history of Law 12-261.** — For legislative history of D.C. Law 12-261, see Historical and Statutory Notes following § 47-1814.01.

## § 47-1814.07. Certain suits forbidden. [Repealed].

Repealed.

(July 16, 1947, ch. 258, art. I, title XIV, § 8, as added Sept. 10, 1992, D.C. Law 9-145, § 103(f), 39 DCR 4895; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 20, 1999, D.C. Law 12-261, § 1243(b), 46 DCR 3142.)

**Prior Codifications.** — 1981 Ed., § 47-1814.7.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 107(f) of Omnibus Budget Support Temporary Act of 1992 (D.C. Law 9-134, July 23, 1992, law notification 39 DCR 5815).

**Legislative history of Law 9-145.** — For

legislative history of D.C. Law 9-145, see Historical and Statutory Notes following § 47-1814.01a.

**Legislative history of Law 12-261.** — For legislative history of D.C. Law 12-261, see Historical and Statutory Notes following § 47-1814.01.

## § 47-1814.08. Rulemaking. [Repealed].

Repealed.

(July 16, 1947, ch. 258, art. I, title XIV, § 9, as added Sept. 10, 1992, D.C. Law 9-145, § 103(f), 39 DCR 4895; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 20, 1999, D.C. Law 12-261, § 1243(b), 46 DCR 3142.)

**Prior Codifications.** — 1981 Ed., § 47-1814.8.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 107(f) of Omnibus Budget Support Temporary Act of 1992 (D.C. Law 9-134, July 23, 1992, law notification 39 DCR 5815).

**Legislative history of Law 9-145.** — For

legislative history of D.C. Law 9-145, see Historical and Statutory Notes following § 47-1814.01a.

**Legislative history of Law 12-261.** — For legislative history of D.C. Law 12-261, see Historical and Statutory Notes following § 47-1814.01.

## § 47-1814.09. Applicability provisions. [Repealed].

Repealed.

(July 16, 1947, ch. 258, art. I, title XIV, § 9, as added Sept. 10, 1992, D.C. Law 9-145, § 103(f), 39 DCR 4895; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; Apr. 20, 1999, D.C. Law 12-261, § 1243(b), 46 DCR 3142.)

**Prior Codifications.** — 1981 Ed., § 47-1814.9.

**Temporary Amendment of Section.** — For temporary (225 day) amendment of section, see § 107(f) of Omnibus Budget Support Temporary Act of 1992 (D.C. Law 9-134, July 23, 1992, law notification 39 DCR 5815).

**Legislative history of Law 9-145.** — For

legislative history of D.C. Law 9-145, see Historical and Statutory Notes following § 47-1814.01a.

**Legislative history of Law 12-261.** — For legislative history of D.C. Law 12-261, see Historical and Statutory Notes following § 47-1814.01.

*Subchapter XV. Appeal.*

**§ 47-1815.01. Right of aggrieved persons to judicial appeal.**

Any person aggrieved by any assessment of a deficiency in tax determined and assessed by the Mayor under the provisions of § 47-1812.05 and any person aggrieved by the denial of any claim for refund made under the provisions of § 47-1812.11 [repealed] may, within 6 months from the date of the assessment of the deficiency or from the date of the denial of a claim for refund, as the case may be, appeal to the Superior Court of the District of Columbia, in the same manner and to the same extent as set forth in §§ 47-3303, 47-3304, 47-3306, to 47-3308.

(July 16, 1947, 61 Stat. 359, ch. 258, art. I, title XV, § 1; July 29, 1970, 84 Stat. 582, Pub. L. 91-358, title I, §§ 156(f), 161(k); enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1815.1. 1973 Ed., § 47-1593.

**CASE NOTES**

**In general.**

Statute providing for right of appeal after administrative determinations involving either deficiency assessments or denials of claims for refunds in connection with income and franchise taxes does not allow those two avenues of appeal to be pursued either simultaneously or consecutively. D.C. Code 1981, § 47-1815.1. *Friendship Hosp. for Animals v. District of Columbia*, 698 A.2d 1003, 1997 D.C. App. LEXIS 108 (1997).

Decision in which District of Columbia declined to relitigate disputed net operating loss in connection with proceeding involving claim for refund, on basis that final determination

had already been made in ruling adverse to taxpayer in connection with earlier deficiency assessment involving same loss, did not extend taxpayer's time for appeal from earlier deficiency assessment. D.C. Code 1981, § 47-1815.1. *Friendship Hosp. for Animals v. District of Columbia*, 698 A.2d 1003, 1997 D.C. App. LEXIS 108 (1997).

Appeal from assessment of deficiency in corporate franchise taxes had to be filed within six months from date of assessment of deficiency. D.C. Code 1973, § 47-1593. *Floyd E. Davis Mortg. Corp. v. District of Columbia*, 455 A.2d 910, 1983 D.C. App. LEXIS 322 (1983).

*Subchapter XVI. Rules and Regulations.*

**§ 47-1816.01. Rules and regulations — Tax provisions.**

Unless otherwise provided, the Mayor shall prescribe such rules and regulations as the Mayor deems necessary to carry out the provisions of this chapter.

(July 16, 1947, 61 Stat. 359, ch. 258, art. I, title XVI, § 1; July 24, 1982, D.C. Law 4-131, § 107, 29 DCR 2418; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Cross references.** — Tax rate changes, authority of the Council of the District of Columbia, see § 47-504.

**Prior Codifications.** — 1981 Ed., § 47-1816.1. 1973 Ed., § 47-1595.



**Legislative history of Law 4-131.** — For legislative history of D.C. Law 4-131, see Historical and Statutory Notes following § 47-1801.04.

**Delegation of Authority.** — Delegation of authority under Law 5-32, see Mayor's Order 83-268, November 16, 1983.

**Editor's notes.** — Mayor authorized to issue rules and regulations: Section 201 of D.C. Law

4-118 provided that the "Mayor may prescribe such rules and regulations as the Mayor deems necessary to carry out the provisions of the District of Columbia Individuals, Estates, and Trusts Federal Conformity Tax Act of 1982."

Mayor authorized to issue rules and regulations: Section 9 of D.C. Law 5-32 provided that the Mayor shall issue regulations necessary to carry out the provisions of the act.

## § 47-1816.02. Rules and regulations — Revenue Act of 1956.

The Mayor is authorized to make rules and regulations to carry out the provisions of this Act.

(Mar. 31, 1956, 70 Stat. 84, ch. 154, title VI, § 601; July 24, 1982, D.C. Law 4-131, § 108(a), (b), 29 DCR 2418; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575.)

**Prior Codifications.** — 1981 Ed., § 47-1816.2.

1973 Ed., § 47-1595a.

**Legislative history of Law 4-131.** — For legislative history of D.C. Law 4-131, see His-

torical and Statutory Notes following § 47-1801.04.

**References in text.** — "This Act," referred to in this section, is 70 Stat. 71, ch. 154, approved March 31, 1956.

## § 47-1816.03. Report by Mayor concerning amendment, repeal, or replacement of Internal Revenue Code.

(a) Within 90 days after any amendment, repeal, or replacement of the Internal Revenue Code of 1986, as that term is defined in § 47-1801.04(28A), the Mayor shall report to the Council of the District of Columbia concerning the amendment, repeal, or replacement. The report shall include, but not be limited to, an analysis of the impact of conformity to the amendment, repeal, or replacement on District of Columbia taxpayers, and on District of Columbia government revenues for 5 years thereafter, and a recommendation as to whether any change in District of Columbia law should be made as a result of the amendment, repeal, or replacement. The Mayor shall publish the report in the District of Columbia Register.

(b) On or before July 1, 1988, the Mayor shall report to Council concerning taxpayers whose tax liability exceeds the amount by which their taxable income exceeds the tax threshold, as defined in § 47-1806.04(e). The report shall include:

(1) An assessment of the number and income levels of the taxpayers affected;

(2) Methods for, and the revenue impact of eliminating these tax liabilities; and

(3) The Mayor's recommendation as to what action, if any, should be taken.

(Oct. 8, 1983, D.C. Law 5-32, § 8, 30 DCR 4013; Oct. 1, 1987, D.C. Law 7-29,

§ 3, 34 DCR 5097; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 24, 2000, D.C. Law 13-126, § 3, 47 DCR 2643.)

**Prior Codifications.** — 1981 Ed., § 47-1816.3.

**Effect of amendments.** — D.C. Law 13-126, in subsec. (a) substituted “§ 47-1801.4(28A)” for “§ 47-1801.4(28), and added “The Mayor shall publish the report in the District of Columbia Register”.

**Emergency legislation.** — For temporary (90-day) amendment of section, see § 3 of the Tax Conformity Congressional Review Emergency Act of 2000 (D.C. Act 13-330, May 9, 2000, 47 DCR 4361).

**Legislative history of Law 5-32.** — Law 5-32, the “District of Columbia Income and Franchise Tax Conformity Act of 1983,” was introduced in Council and assigned Bill No. 5-103, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on June 28, 1983 and July 12, 1983, respectively. Signed by the Mayor on July 21, 1983, it was assigned Act No.

5-54 and transmitted to both Houses of Congress for its review.

**Legislative history of Law 7-29.** — For legislative history of D.C. Law 7-29, see Historical and Statutory Notes following § 47-1801.01a.

**Legislative history of Law 13-126.** — Law 13-126, the “Tax Conformity Act of 2000,” was introduced in Council and assigned Bill No. 13-86, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on February 1, 2000, and March 7, 2000, respectively. Signed by the Mayor on March 22, 2000, it was assigned Act No. 13-296 and transmitted to both Houses of Congress for its review. D.C. Law 13-126 became effective on June 24, 2000.

**Editor’s notes.** — Mayor authorized to issue regulations: Section 9 of D.C. Law 5-32 provided that the Mayor shall issue regulations necessary to carry out the provisions of the act.

## *Subchapter XVII. Qualified High Technology Companies.*

### § 47-1817.01. Definitions.

For the purposes of this chapter, the term:

(1)(A) “Qualified asset” means a:

- (i) Qualified stock;
- (ii) Qualified partnership interest; or
- (iii) Qualified business property.

(B) A qualified asset shall include property which was a qualified asset in the hands of a prior holder.

(2)(A) “Qualified business property” means tangible property if:

(i) The property was acquired by the taxpayer by purchase, as defined in section 179(d)(2) of the Internal Revenue Code of 1986, after December 31, 2000;

(ii) The original use of the property commences with the taxpayer; and

(iii) Substantially all of the use of the property was in a Qualified High Technology Company.

(B) This paragraph shall apply to real property which is substantially improved by the taxpayer before January 1, 2003, and any land on which the property is located.

(C) For the purposes of subparagraph (B) of this paragraph, real property shall be substantially improved by the taxpayer if, during any 24-month period beginning after December 31, 2000:

(i) Additions to basis with respect to the property in the hands of the taxpayer exceed the greater of:



(I) An amount equal to the adjusted basis of the property at the beginning of the 24-month period in the hands of the taxpayer; or

(II) \$5,000; and

(ii) At least 51% of the additions to basis represent improvements which facilitate the conduct of a Qualified High Technology Company on the premises, including improvements to electrical wiring or telecommunications facilities serving the building.

(3) "Qualified capital gain" means gain recognized on the sale or exchange of a capital asset or property used in a trade or business, as defined in § 47-1801.04. The term "qualified capital gain" shall not include gain which is:

(A) Treated as ordinary income under sections 1245 or 1250 of the Internal Revenue Code of 1986 if section 1250 applied to all depreciation rather than additional depreciation;

(B) Attributable to real property or an intangible asset which is not an integral part of a Qualified High Technology Company's business operations in the District; or

(C) Attributable, directly or indirectly, in whole or in part, to a transaction with a related person.

(4) "Qualified employee" means a person who is employed in the District by a Qualified High Technology Company.

(5)(A) "Qualified High Technology Company" means:

(i) An individual or entity organized for profit and maintaining an office, headquarters, or base of operations in the District of Columbia;

(ii) Having 2 or more employees; and

(iii) Deriving at least 51% of its gross revenues from:

(I) Internet-related services and sales, including website design, maintenance, hosting, or operation; Internet-related training, consulting, advertising, or promotion services; the development, rental, lease, or sale of Internet-related applications, connectivity, or digital content; or products and services that may be considered e-commerce;

(II) Information and communication technologies, equipment and systems that involve advanced computer software and hardware, data processing, visualization technologies, or human interface technologies, whether deployed on the Internet or other electronic or digital media. Such technologies shall include operating and applications software; Internet-related services, including design, strategic planning, deployment, and management services and artificial intelligence; computer modeling and simulation; high-level software languages; neural networks; processor architecture; animation and full-motion video; graphics hardware and software; speech and optical character recognition; high-volume information storage and retrieval; data compression; and multiplexing, digital signal processing, and spectrum technologies;

(III) Advanced materials and processing technologies that involve the development, modification, or improvement of one or more materials or methods to produce devices and structures with improved performance characteristics or special functional attributes, or to activate, speed up, or otherwise alter chemical, biochemical, or medical processes. Such materials and technologies shall include metal alloys; metal matrix and ceramic composites;

advanced polymers; thin films; membranes; superconductors; electronic and photonic materials; bioactive materials; bioprocessing; genetic engineering; catalysts; waste emissions reduction; pharmaceuticals; and waste processing technologies;

(IV) Engineering, production, biotechnology and defense technologies that involve knowledge-based control systems and architectures; advanced fabrication and design processes, equipment, and tools; or propulsion, navigation, guidance, nautical, aeronautical and astronautical ground and airborne systems, instruments, and equipment. Such technologies shall include: computer-aided design and engineering; computer-integrated manufacturing; robotics and automated equipment; integrated circuit fabrication and test equipment; sensors; biosensors; signal and image processing; medical and scientific instruments; precision machining and forming; biological and genetic research equipment; environmental analysis, remediation, control, and prevention equipment; defense command and control equipment; avionics and controls; guided missile and space vehicle propulsion units; military aircraft; space vehicles; and surveillance, tracking, and defense warning systems; or

(V) Electronic and photonic devices and components for use in producing electronic, optoelectronic, mechanical equipment and products of electronic distribution with interactive media content. Such technologies shall include microprocessors; logic chips; memory chips; lasers; printed circuit board technology; electroluminescent, liquid crystal, plasma, and vacuum fluorescent displays; optical fibers; magnetic and optical information storage; optical instruments, lenses, and filters; simplex and duplex data bases; and solar cells.

(B) "Qualified High Technology Company" shall not include:

(i) An individual or entity that derives 51% or more of its gross revenues from the operation in the District of:

(I) A retail store; or

(II) An electronic equipment facility that is primarily occupied, or intended to be occupied, by electronic and computer equipment that provides electronic data switching, transmission, or telecommunication functions between computers, both inside and outside the facility;

(ii) A professional athletic team, as defined in § 47-2002.05(a)(3); or

(iii) A business entity located in the DC Ballpark TIF Area, as defined in [§ 2-1217.12a(a)].

(6) "Qualified partnership interest" means a capital or profits interest in a partnership, formed under the laws of the District of Columbia or any state of the United States of America, which is originally issued after December 31, 2000, if:

(A) The interest is acquired by the taxpayer from the partnership solely in exchange for cash;

(B) On the date of acquisition, the partnership was a Qualified High Technology Company (or, in the case of a new partnership, the partnership was organized for purposes which would qualify it as a Qualified High Technology Company); and

(C) During substantially all of the taxpayer's holding period for the interest, the partnership qualified as a Qualified High Technology Company.



(7) "Qualified stock" means stock in a corporation, formed under the laws of the District of Columbia or any state of the United States of America, which is originally issued after December 31, 2000, if:

(A) The stock is originally issued to the taxpayer, directly or through an underwriter, solely in exchange for cash;

(B) On the date of issuance, the corporation was a Qualified High Technology Company (or, in the case of a new corporation, the corporation was being organized for purposes which would qualify it as a Qualified High Technology Company); and

(C) During substantially all of the taxpayer's holding period for the stock, the corporation qualified as a Qualified High Technology Company.

(Apr. 3, 2001, D.C. Law 13-256, § 101(a)(2), 48 DCR 730; Apr. 8, 2005, D.C. Law 15-320, § 110(c), 52 DCR 1757.)

**Cross references.** — Assistance for qualified high technology companies, see § 2-1221.01 et seq.

**Effect of amendments.** — D.C. Law 15-320 rewrote par. (5)(B) which had read:

"(B) 'Qualified High Technology Company' shall not include an individual or entity that derives 51% or more of its gross revenues from the operation in the District of:

"(i) A retail store; or

"(ii) An electronic equipment facility that is primarily occupied, or intended to be occupied, by electronic and computer equipment that provides electronic data switching, transmission, or telecommunication functions between computers, both inside and outside the facility."

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 201(a) of Ballpark Omnibus Financing and Revenue Tax Provisions Emergency Amendment Act of 2004

(D.C. Act 15-719, January 4, 2005, 52 DCR 1790).

For temporary (90 day) amendment of section, see § 201(a) of Ballpark Omnibus Financing and Revenue Tax Provisions Congressional Review Emergency Act of 2005 (D.C. Act 16-25, February 17, 2005, 52 DCR 2981).

**Legislative history of Law 13-256.** — Law 13-256, the "New E-Conomy Transformation Act of 2000", was introduced in Council and assigned Bill No. 13-752, which was referred to the Committee on Finance and Revenue. The Bill was adopted on first and second readings on November 8, 2000, and December 5, 2000, respectively. Signed by the Mayor on December 21, 2000, it was assigned Act No. 13-543 and transmitted to both Houses of Congress for its review. D.C. Law 13-256 became effective on April 3, 2001.

**Legislative history of Law 15-320.** — For Law 15-320, see notes following § 47-368.03.

## § 47-1817.01a. Alternative method to determine a Qualified High Technology Company status.

(a) If the accounting method used by the taxpayer for income tax purposes does not readily permit the verification of revenue for the purposes of determining the status of a corporation as a Qualified High Technology Company, the taxpayer may petition for, or the Chief Financial Officer may employ, a cost of performance method as described in subsection (b) of this section, which method is intended to function in the same manner as § 47-441.

(b) To be certified as a Qualified High Technology Company, a corporation may provide:

(1) An analysis of the operations of the business that identifies the functions of the business in broad categories and specifically identifies those activities within each category that meet the definition of a Qualified High Technology Company;

(2) Evidence of the costs associated with each activity identified as a

Qualified High Technology Company activity, consistent with industry standards; and

(3) An income calculation determined by multiplying the total gross revenue reported on its District franchise tax return as total gross income by a fraction, the numerator of which is the total expenses of all Qualified High Technology Company activities and the denominator of which is the total expenses claimed on the current District franchise tax return as total deduction.

(c) If the amount determined in subsection (b) of this section is 51% or more of total gross revenue, the taxpayer shall be certified as a Qualified High Technology Company.

(d) The final approval to grant an alternative method for determining a Qualified High Technology Company shall rest with the Chief Financial Officer and the approval shall not be unreasonably withheld.

(Dec. 7, 2004, D.C. Law 15-205, § 1082(b), 51 DCR 8441.)

**Emergency legislation.** — For temporary (90 day) addition, see § 1082(b) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) addition, see § 1082(b) of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

**Legislative history of Law 15-205.** — For Law 15-205, see notes following § 47-903.

**Short title.** — Short title of subtitle H of title I of Law 15-205: Section 1081 of D.C. Law 15-205 provided that subtitle H of title I of the act may be cited as the New E-Conomy Refinement Act of 2004.

**Editor's notes.** — Applicability of subtitle H of title I of Law 15-205: Section 1083 of D.C. Law 15-205 provided: "This subtitle shall apply as of January 1, 2004."

## § 47-1817.02. Tax credit for Qualified High Technology Company employment relocation costs; exceptions.

(a) For the purposes of this section, the term "relocation costs" means amounts paid to, or on behalf of, a qualified employee:

(1) For reimbursement of actual moving expenses; or

(2) To assist the employee in financing the purchase of a residence, or the required security deposit or lease payments for the first 12 months of a lease for a residence under a lease of at least one year, which purchase or lease is entered into after December 31, 2000.

(b)(1) Except as provided in subsection (c) of this section, for taxable years beginning after December 31, 2000, a Qualified High Technology Company shall be allowed a credit not to exceed:

(A) \$5,000 against the tax imposed by § 47-1817.06 for the relocation costs for each qualified employee relocated to the District from a location outside the District; or

(B) \$7,500 against the tax imposed by § 47-1817.06 for the relocation costs for each qualified employee relocated to the District from a location outside the District, which employee also relocates his or her principal residence into the District.



(2) The credit may be claimed for costs incurred after December 31, 2000, in connection with qualified employees relocated to the District after that date.

(c)(1) The annual credit under subsection (b) of this section shall not exceed, in the aggregate:

(A) \$250,000 for the credit allowed under subsection (b)(1)(A) of this section; and

(B) \$1,000,000 for the credit allowed under subsection (b)(1)(B) of this section.

(2) The credit under subsection (b) of this section shall not be allowed:

(A) Until the Qualified High Technology Company relocates at least 2 qualified employees into the District;

(B) Until the Qualified High Technology Company has employed the qualified employee for at least 6 months in the District;

(C) As a credit for employees who work less than 35 hours per week;

(D) If the qualified employee is a member of the board of directors of the Qualified High Technology Company, directly or indirectly owns a majority of its stock, or is related to a member of the board of directors or a majority stockholder as a spouse, domestic partner, or a relative listed in the definition of "dependent" in section 152 of the Internal Revenue Code of 1986, without regard to source of income; or

(E) If the Qualified High Technology Company has claimed a deduction for the relocation costs.

(d) If the amount of the credit allowable under this section exceeds the tax otherwise due from a Qualified High Technology Company, the unused amount of the credit may be carried forward for 10 years.

(Apr. 3, 2001, D.C. Law 13-256, § 201(b), 48 DCR 730; Sept. 12, 2008, D.C. Law 17-231, § 41(n), 55 DCR 6758.)

**Effect of amendments.** — D.C. Law 17-231, in subsec. (c)(2)(D), substituted "spouse, domestic partner," for "spouse".

**Legislative history of Law 13-256.** — For Law 13-256, see notes following § 47-1817.01.

**Legislative history of Law 17-231.** — For Law 17-231, see notes following § 47-802.

### **§ 47-1817.03. Tax credit to Qualified High Technology Companies for wages to qualified employees; exceptions.**

(a) Except as provided in subsection (b) of this section, for taxable years beginning after December 31, 2000, a Qualified High Technology Company shall be allowed a credit against the tax imposed by § 47-1817.06 equal to 10% of the wages paid during the first 24 calendar months of employment to a qualified employee hired after December 31, 2000.

(b) The credit under subsection (a) of this section shall not be allowed:

(1) To exceed, for each qualified employee, \$5,000 in a taxable year;

(2) If the Qualified High Technology Company accords the qualified employee lesser benefits or rights than it accords other employees in similar jobs;

(3) If the qualified employee was employed as the result of:

- (A) The displacement, other than for cause, of another employee;
- (B) A strike or lockout;
- (C) A layoff in which other employees are awaiting recall; or

(D) A reduction of the regular wages, benefits, or rights of other employees in similar jobs; or

(4) If the qualified employee is a member of the board of directors of the Qualified High Technology Company or, directly or indirectly, owns a majority of its stock.

(c) If the amount of the credit allowable under this section exceeds the tax otherwise due from a Qualified High Technology Company, the unused amount of the credit may be carried forward for 10 years.

(Apr. 3, 2001, D.C. Law 13-256, § 202(b), 48 DCR 730.)

**Legislative history of Law 13-256.** — For Law 13-256, see notes following § 47-1817.01.

#### **§ 47-1817.04. Tax credit to Qualified High Technology Companies for retraining costs for qualified disadvantaged employees.**

(a)(1) For purposes of this section, the term “qualified disadvantaged employee” means a District resident who:

- (A) Is a recipient of Temporary Assistance for Needy Families (“TANF”);
- (B) Was a recipient of TANF in the period immediately proceeding employment;

(C) Was released from incarceration within 24 months before the date of employment by a Qualified High Technology Company; or

(D) Is an employee hired, or relocated to the District, after December 31, 2000 and for which a Qualified High Technology company also is eligible to claim the Welfare to Work Tax Credit or the Work Opportunity Tax Credit under the Internal Revenue Code of 1986.

(2) The term “qualified disadvantaged employee” shall not mean or include:

- (A) A temporary or seasonal employee; or
- (B) An employee who was employed as the result of:
  - (i) The displacement, other than for cause of another employee;
  - (ii) A strike or lockout;
  - (iii) A layoff in which other employees are awaiting recall; or
  - (iv) A reduction of the regular wages, benefits, or rights of other employees in similar jobs.

(b) For taxable years beginning after December 31, 2000, a Qualified High Technology Company shall be allowed a credit against taxes imposed by § 47-1817.06 for expenditures paid or incurred during the taxable year for retraining of a qualified disadvantaged employee.

(c) Qualified disadvantaged employee retraining expenditures which are eligible for the tax credit are:



(1) Tuition, costs, or fees for credit or noncredit courses leading to academic degrees or certification of professional, technical, or administrative skills taken at District-based accredited colleges or universities or the cost for formal enrollment in training programs offered by nonprofit training providers (including community or faith-based organizations certified for the provision of training or job-readiness preparation at skill levels suitable for immediate performance of entry-level jobs), in demand among technology companies in general, and information and telecommunications companies in particular. Eligible training programs, other than those at District-based accredited colleges or universities, shall be pre-qualified for participation under this section by the Department of Employment Services; and

(2) Worker retraining programs undertaken through an apprenticeship agreement approved by the District of Columbia Apprenticeship Council.

(d) The credit claimed under this section shall be limited to \$20,000 for each qualified disadvantaged employee during the first 18 months of employment.

(e) If the amount of the credit allowable under this section exceeds the tax otherwise due from a Qualified High Technology Company, the unused amount of the credit may be:

(1) Carried forward for 10 years; or

(2) Taken as a refundable credit in an amount up to 50% of the credit.

(Apr. 3, 2001, D.C. Law 13-256, § 203(b), 48 DCR 730; Oct. 26, 2001, D.C. Law 14-42, § 10(i), 48 DCR 7612.)

**Effect of amendments.** — D.C. Law 14-42, in subsec. (a)(1), deleted the second subparagraph (B) which had read as follows:

“(B) An employee who was employed as the result of:

“(i) The displacement, other than for cause, of another employee;

“(ii) A strike or lockout;

“(iii) A layoff in which other employees are awaiting recall; or

“(iv) A reduction of the regular wages, bene-

fits, or rights of other employees in similar jobs.”

**Emergency legislation.** — For temporary (90 day) amendment of section, see § 10(i) of Technical Amendments Emergency Act of 2001 (D.C. Act 14-108, August 3, 2001, 48 DCR 7622).

**Legislative history of Law 13-256.** — For Law 13-256, see notes following § 47-1817.01.

**Legislative history of Law 14-42.** — For Law 14-42, see notes following § 47-1361.

## § 47-1817.05. Tax credit to Qualified High Technology Companies for wages to qualified disadvantaged employees.

(a) Except as provided in subsection (b) of this section, for taxable years beginning after December 31, 2000, a Qualified High Technology Company shall be allowed a credit against the tax imposed by § 47-1817.06 equal to 50% of the wages paid to a qualified disadvantaged employee, as defined in § 47-1817.04, during the first 24 calendar months of employment.

(b) The credit under subsection (a) of this section shall not be allowed:

(1) To exceed \$15,000 in a taxable year for a qualified disadvantaged employee; or

(2) If the Qualified High Technology Company accords the qualified disadvantaged employee lesser benefits or rights than it accords other employees in similar jobs.

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(c) If the amount of the credit allowable under this section exceeds the tax otherwise due from a Qualified High Technology Company, the unused amount of the credit may be carried forward for 10 years.

(Apr. 3, 2001, D.C. Law 13-256, § 203(b), 48 DCR 730.)

**Legislative history of Law 13-256.** — For Law 13-256, see notes following § 47-1817.01.

## **§ 47-1817.06. Tax on Qualified High Technology Companies.**

(a)(1) Notwithstanding any other provision of this chapter, and in lieu of the tax on taxable income imposed by § 47-1807.02, subject to the credits applicable thereto, a tax on taxable income at a rate of 6% shall be imposed upon Qualified High Technology Companies which are corporations, except as provided for in paragraph (2) of this subsection.

(2)(A) For purposes of this paragraph, the term “high technology development zones” mean the geographic areas described in the priority development areas listed in § 2-1219.20 [repealed] and as designated under subparagraph (B) of this paragraph.

(B) The Mayor may propose regulations designating additional high technology development zones. The Mayor shall transmit the proposed regulations to the Council for a 45-day period of review. If the Council does not approve the regulations, in whole or in part, by resolution within the 45-day review period, the regulations shall be deemed approved.

(C) A Qualified High Technology Company within a high technology development zone shall not be subject to the tax imposed by this chapter for 5 years after the date that the Qualified High Technology Company commences business in the high technology development zone.

(b) The transfer of ownership of a Qualified High Technology Company shall not affect eligibility under this section.

(c) The Mayor may issue regulations to carry out the provisions of this section.

(Apr. 3, 2001, D.C. Law 13-256, § 403(b), 48 DCR 730.)

**Legislative history of Law 13-256.** — For Law 13-256, see notes following § 47-1817.01.

## **§ 47-1817.07. Rollover of capital gain from qualified stock to other qualified stock.**

(a) For purposes of this section, the term “qualified stock” means stock of a company which is qualified small business stock, as defined under section 1202(c) of the Internal Revenue Code of 1986, and issued by a Qualified High Technology Company.

(b)(1) In the case of a sale of qualified stock held by a taxpayer other than a corporation for more than 6 months and with respect to which the taxpayer elects the application of this section, gain from the sale shall be recognized to



the extent the amount realized on the sale exceeds the cost of qualified stock purchased by the taxpayer during the 60-day period beginning on the date of the sale, reduced by the amount of the gain, not to exceed such cost, previously deferred under this paragraph.

(2) A taxpayer shall be treated as having purchased qualified stock if, but for paragraph (3) of this subsection, the adjusted basis of the property in the hands of the taxpayer would be its cost.

(3)(A) If gain from a sale is not recognized under paragraph (1) of this subsection, the unrecognized gain shall reduce the basis of qualified stock, in the order acquired, which is purchased by the taxpayer during the 60-day period described in paragraph (1) of this subsection.

(B) For purposes of determining whether the nonrecognition of gain under paragraph (1) of this subsection applies to qualified stock which is sold:

(i) The taxpayer's holding period for the stock and the stock referred to in this subsection shall be determined without regard to section 1223 of the Internal Revenue Code of 1986; and

(ii) Only the first 6 months of the taxpayer's holding period for the stock referred to in this subsection shall be taken into account for purposes of applying section 1202(c)(2) of the Internal Revenue Code of 1986.

(c) This section shall not apply to any gain which is treated as ordinary income under the Internal Revenue Code of 1986.

(Apr. 3, 2001, D.C. Law 13-256, § 407(b), 48 DCR 730.)

**Legislative history of Law 13-256.** — For Law 13-256, see notes following § 47-1817.01.

## § 47-1817.08. Severability.

If any provision of this title relating to a Qualified High Technology Company is held to be invalid:

(1) Any tax abatement, credit, or other benefit provided under this title shall not be increased, and the amount of tax imposed under this title shall not be decreased, as a result of such invalidity; and

(2) A Qualified High Technology Company shall not pay additional taxes under this title to the District of Columbia until any proceedings to contest such taxes become final.

(Apr. 3, 2001, D.C. Law 13-256, § 408, 48 DCR 730.)

**Temporary Addition of Section.** — For temporary (225 day) addition of section, see 2(b) of CareFirst Economic Assistance Temporary Act of 2002 (D.C. Law 14-246, March 25, 2003, law notification 50 DCR 2759).

**Emergency legislation.** — For temporary (90 day) addition of §§ 47-1850.01 to 47-1850.04, see § 2(e) of Homestead and Senior Citizen Real Property Tax Legislative Review

Emergency Act of 2001 (D.C. Act 14-226, January 8, 2002, 49 DCR 668).

For temporary (90 day) addition of § 47-1818.01, see § 2(b) of CareFirst Economic Assistance Emergency Act of 2002 (D.C. Act 14-460, July 26, 2002, 49 DCR 8175).

**Legislative history of Law 13-256.** — For Law 13-256, see notes following § 47-1817.01.

























